



**Australian Government**  
**Registered Organisations Commission**

18 November 2020

Ms Teri O'Toole  
Secretary  
Flight Attendants' Association of Australia - International Division

By e-mail: [jason.hart@faaa.net](mailto:jason.hart@faaa.net)

Dear Ms O'Toole

**Flight Attendants' Association of Australia - International Division**  
**Financial Report for the year ended 30 June 2020 - FR2020/213**

I acknowledge receipt of the financial report for the year ended 30 June 2020 for the Flight Attendants' Association of Australia - International Division (**the reporting unit**). The financial report was lodged with the Registered Organisations Commission (**ROC**) on 6 November 2020.

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

Whilst the 2020 report has been filed the following should be addressed in the preparation of the next financial report.

**1. General Purpose Financial Report (GPFR)**

**AASB 15 - Revenue from contracts with customers**

New Australian Accounting Standard AASB 15 *Revenue from Contracts with Customers* requires specific disclosures to be made. Paragraph 113(a) requires an entity to disclose revenue from contracts with customers separately from other forms of revenue and paragraph 114 requires disaggregation of revenue from contracts with customers into categories that depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

It appears that no such disclosure has been made.

Please note that in future the reporting unit's GPFR must include all relevant and required financial disclosures in accordance with AASB 15.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 9603 0707 or by email at [ken.morgan@roc.gov.au](mailto:ken.morgan@roc.gov.au)

Yours faithfully

A handwritten signature in black ink, appearing to read 'K. Morgan', with a stylized flourish at the end.

**KEN MORGAN**

**Financial Reporting Specialist**

**Registered Organisations Commission**

**Flight Attendants Association of Australia – International Division**

s.268 Fair Work (Registered Organisations) Act 2009

## Certificate by prescribed designated officer

Certificate for the year ended 30 June 2020

I, Teri O'Toole, being the Federal Secretary of Flight Attendants Association of Australia certify:

- that the documents lodged herewith are copies of the full report for the Reporting Unit formerly known as Flight Attendants Association of Australia – International Division for the period ended 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 3<sup>rd</sup> November, 2020; and
- that the full report was presented to a meeting of the committee of management of Flight Attendants Association of Australia on 5<sup>th</sup> November, 2020 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer: .....

Name of prescribed designated officer: .....

TERI O'TOOLE

Title of prescribed designated officer: .....

FEDERAL SECRETARY

Dated: .....

5 November 2020

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# Flight Attendants Association of Australia - International Division

Financial Statements  
For the Year Ended 30 June 2020

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**Flight Attendants Association of Australia – International Division**  
**Operating Report**  
**For the Year Ended 30 June 2020**

The Committee of Management of Flight Attendants Association of Australia presents its operating report on the Reporting Unit formerly known as Flight Attendants Association of Australia – International Division for the year ended 30 June 2020.

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

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

The Division's principal activities resulted in maintaining and improving the wages and conditions of Flight Attendants. Enterprise Agreement negotiations have been finalised with Virgin Australia International Limited, Qantas Airways Limited and QF Cabin Crew Australia Limited.

Members were assisted at disciplinary hearings together with the normal large volume of members' queries.

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

**Significant changes in financial affairs**

On 18 June 2020, the Fair Work Commission handed down a decision allowing the alteration of rules for the purposes of unifying the International and National Divisions. The rules, modified by the transitional rules intended to facilitate elections for office under the unitary structure, operated until inaugural elections were completed. As a result of COVID-19, such elections were deferred until after 30 June 2020. The unitary structure became operative subsequent to year-end, with an effective date of 16 September 2020.

There were no other significant changes in the state of financial affairs of the reporting unit.

**Right of members to resign**

Members may resign from the Division in accordance with Rules 33 and 34, which read as follows:

**"33 –RESIGNATION**

- (a) A member may resign from membership of the Association by written notice addressed and delivered to the Divisional Secretary.
- (b) A notice of resignation from membership of the Association takes effect:
  - (1) Where a member ceases to be eligible to become a member of the Association:
    - (i) on the day on which the notice is received by the Divisional Secretary; or
    - (ii) 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 the latter; or
  - (2) in any other case:
    - (i) at the end of 2 weeks after the notice is received by the Divisional Secretary; or
    - (ii) on the day specified in the notice;  
whichever is the latter.

**Flight Attendants Association of Australia – International Division**  
**Operating Report**  
**For the Year Ended 30 June 2020**

- (c) Any membership fees payable but not paid by a former member of the Association, in relation to a period before the member's resignation from the Association 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 person mentioned in Sub-Rule (a) 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 of the Association 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".

**34 ~LIABILITY OF FORMER MEMBERS**

- (a) Any member who ceases to be a member shall remain liable to the Association for all money owing by that member to the Association at the time of ceasing to be a member unless Divisional Executive releases the member in whole or part from such obligation.
- (b) All membership fees, levies or other monies owing by any member of the Association under the Rules may at any time be sued for and recovered in the name of the Association by the Divisional Secretary.

**Number of members**

<b>2020</b>	<b>2019</b>
3,718 members	3,179 members

**Number of employees**

<b>2020</b>	<b>2019</b>
12 employees	6 employees

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

The names of the members of the Divisional Executive in office during the financial year unless indicated otherwise were:

- Teri O'Toole (Secretary)
- Lou Nesci (Assistant Secretary)
- David Horsfall (President)
- Miranda Diack (Vice President)
- Bruce Roberts (Vice President)

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The names of the members of the Divisional Council in office during the financial year unless indicated otherwise were:

- Teri O'Toole (Secretary)
- Lou Nesci (Assistant Secretary)
- David Horsfall (President)
- Miranda Diack (Vice President)
- Bruce Roberts (Vice President)
- Greg Broome
- Rebecca Maclean
- Chi Luong Hong
- Clair Smith
- Smaragda Skordas
- Laura Mitchell
- Kris Filipetto

**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**

- Lou Nesci (Assistant Secretary) – Director of Associated Global Management Pty Ltd. Director of Monkalino Investment Retirement Fund Pty Ltd as Trustee for Monkalino Investments Retirement Fund.
- Miranda Diack – Director of Bixton Pty Ltd ATF The KG & EL Diack Family Trust
- Bruce Roberts – Director of Qantas Superannuation Limited
- Rebecca Maclean (QCCA Councillor) – Director and Trustee of Guy Maclean Superannuation Fund
- Clair Smith (VAI Councillor) – Director and Trustee of Clair & Daz Superannuation Fund

**Disclosure of shareholdings by officeholders**

The majority of members of the Divisional Executive and Divisional Council hold shares in either Qantas or Virgin Australia. No members hold significant shareholdings in either company.

Signature of designated officer: 

Name and title of designated officer: TERI O'TOOLE FEDERAL SECRETARY

Dated: 2 NOVEMBER 2020

**Flight Attendants Association of Australia – International Division**  
**Committee of Management Statement**  
**For the Year Ended 30 June 2020**

On 2 November 2020, the Committee of Management of Flight Attendants Association of Australia passed the following resolution in relation to the general purpose financial report (GPFR) of the Reporting Unit formerly known as Flight Attendants Association of Australia – International Division for the year ended 30 June 2020:

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 reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
  - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

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

Signature of designated officer: 

Name and title of designated officer: TERI O'TOOLE FEDERAL SECRETARY

Dated: 2 NOVEMBER 2020



**Flight Attendants Association of Australia – International Division**  
**Report Required Under Subsection 255(2A)**  
**For the Financial Year Ended 30 June 2020**

The Committee of Management of Flight Attendants Association of Australia presents the expenditure report as required under subsection 255(2A) on the Reporting Unit formerly known as Flight Attendants Association of Australia – International Division for the year ended 30 June 2020.

Categories of expenditures	2020 \$	2019 \$
Remuneration and other employment-related costs and expenses - employees	1,075,876	906,038
Advertising	-	-
Operating costs	352,127	323,440
Donations to political parties	-	-
Legal costs	6,158	21,893

Signature of designated officer: 

Name and title of designated officer: 

Dated: 

**Flight Attendants Association of Australia – International Division**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Financial Year Ended 30 June 2020**

	Notes	2020 \$	2019 \$
<b>Revenue</b>			
Membership subscription		1,622,610	1,561,651
Capitation fees and other revenue from another reporting unit	3A	-	-
Levies	3B	-	-
Interest revenue	3C	193,678	181,579
Other revenue		39,929	24,820
<b>Total revenue</b>		<b>1,856,217</b>	<b>1,768,050</b>
<b>Other income</b>			
Grants and/or donations	3D	62,500	-
Revenue from recovery of wages activity	3E	-	-
<b>Total other income</b>		<b>62,500</b>	<b>-</b>
<b>Total income</b>		<b>1,918,717</b>	<b>1,768,050</b>
<b>Expenses</b>			
Employee expenses	4A	(1,075,876)	(906,038)
Capitation fees and other expense to another reporting unit	4B	-	-
Affiliation fees	4C	(27,369)	(20,525)
Administration expenses	4D	(241,337)	(224,422)
Grants or donations	4E	(9,091)	(7,000)
Depreciation and amortisation	4F	(63,330)	(61,693)
Legal costs	4G	(6,158)	(21,893)
Audit fees	14	(11,000)	(9,800)
Other expenses	4H	-	-
<b>Total expenses</b>		<b>(1,434,161)</b>	<b>(1,251,371)</b>
<b>Surplus for the year</b>		<b>484,556</b>	<b>516,679</b>
<b>Other comprehensive income</b>			
Items that will be subsequently reclassified to profit or loss		-	-
- Net gain on available for sale investments		-	-
Items that will not be subsequently reclassified to profit or loss		-	-
- Gain on revaluation of land and buildings	9A	290,000	-
<b>Total comprehensive income for the year</b>		<b>774,556</b>	<b>516,679</b>

The accompanying notes form part of these financial statements.

**Flight Attendants Association of Australia – International Division**  
**Statement of Financial Position**  
**As at 30 June 2020**

	<b>Notes</b>	<b>2020</b>	<b>2019</b>
		<b>\$</b>	<b>\$</b>
<b>Assets</b>			
<b>Current</b>			
Cash and cash equivalents	5A	7,609,840	7,125,029
Trade and other receivables	5B	13,613	41,687
Land and buildings	6A	3,800,000	-
Plant and equipment	6B	105,447	-
<b>Current assets</b>		<b>11,528,900</b>	<b>7,166,716</b>
<b>Non-current</b>			
Land and buildings	6A	-	3,555,000
Plant and equipment	6B	-	56,259
<b>Non-current assets</b>		<b>-</b>	<b>3,611,259</b>
<b>Total assets</b>		<b>11,528,900</b>	<b>10,777,975</b>
<b>Liabilities</b>			
<b>Current</b>			
Trade payables	7A	118,280	96,578
Other payables	7B	30,500	92,075
Employee provisions	8A	108,163	87,505
<b>Current liabilities</b>		<b>256,943</b>	<b>276,158</b>
<b>Non-current</b>			
Employee provisions	8A	-	4,416
<b>Non-current liabilities</b>		<b>-</b>	<b>4,416</b>
<b>Total liabilities</b>		<b>256,943</b>	<b>280,574</b>
<b>Net assets</b>		<b>11,271,957</b>	<b>10,497,401</b>
<b>Equity</b>			
Revaluation reserve	9A	2,235,784	1,945,784
Retained earnings		9,036,173	8,551,617
<b>Total equity</b>		<b>11,271,957</b>	<b>10,497,401</b>

The accompanying notes form part of these financial statements.

**Flight Attendants Association of Australia – International Division**  
**Statement of Changes in Equity**  
**For the Financial Year Ended 30 June 2020**

	Notes	Revaluation Reserve \$	Retained Earnings \$	Total Equity \$
Balance at 1 July 2018		1,945,784	8,034,938	<b>9,980,722</b>
Surplus for the year		-	516,679	<b>516,679</b>
Other comprehensive income		-	-	-
Total comprehensive income		-	516,679	<b>516,679</b>
<b>Balance at 30 June 2019</b>		<b>1,945,784</b>	<b>8,551,617</b>	<b>10,497,401</b>
Balance at 1 July 2019		1,945,784	8,551,617	<b>10,497,401</b>
Surplus for the year		-	484,556	<b>484,556</b>
Other comprehensive income:				
- Gain on revaluation of land and buildings	9A	290,000	-	-
Total comprehensive income		290,000	484,556	<b>774,556</b>
<b>Balance at 30 June 2020</b>		<b>2,235,784</b>	<b>9,036,173</b>	<b>11,271,957</b>

The accompanying notes form part of these financial statements.

**Flight Attendants Association of Australia – International Division**  
**Statement of Cash Flows**  
**For the Financial Year Ended 30 June 2020**

	<b>Notes</b>	<b>2020</b>	<b>2019</b>
		<b>\$</b>	<b>\$</b>
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Membership fees received		1,798,756	1,717,848
Receipts from government stimulus		50,000	-
Interest received		230,855	188,920
Other		43,922	27,302
Receipt from other reporting units/controlled entities	10B	169,544	72,276
<b>Cash used</b>			
Payments to suppliers and employees		(1,662,876)	(1,339,709)
Payment to other reporting units/controlled entities	10B	(77,872)	(99,263)
<b>Net cash from operating activities</b>	10A	<b>552,329</b>	<b>567,374</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash used</b>			
Purchase of buildings, plant and equipment		(67,518)	(30,320)
<b>Net cash used in investing activities</b>		<b>(67,518)</b>	<b>(30,320)</b>
<b>FINANCING ACTIVITIES</b>			
<b>Net cash from financing activities</b>		<b>-</b>	<b>-</b>
Net increase in cash and cash equivalents		484,811	537,054
Cash and cash equivalents at beginning of financial year		7,125,029	6,587,975
<b>Cash and cash equivalents at end of financial year</b>	5A	<b>7,609,840</b>	<b>7,125,029</b>

The accompanying notes form part of these financial statements.

**Note 1 Summary of significant accounting policies**

**1.1 Basis of preparation of the financial statements**

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Flight Attendants Association of Australia – International Division is a not-for-profit reporting unit.

The financial statements, other than the Statement of Cash Flows, have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, 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.

Modified liquidation basis of accounting

As highlighted in Note 1.17, a unification of the National and International Divisions was planned within the next 12 months of year-end; and came to fruition subsequent to year-end. As part of the unification, the net assets of both existing divisions/reporting units were transferred to the organisation-wide reporting unit structure.

A reporting unit is a going concern when it is considered to be able to pay its debts as and when they are due, and continue in operation without any intention or necessity to liquidate or otherwise wind up its operations for at least the next 12 months. Given the unification was planned, and then formed subsequent to year-end, Flight Attendants Association of Australia – International Division was not considered a going concern at the date of this financial report.

When a reporting unit is no longer a going concern, it may be appropriate to prepare the financial statements under the liquidation basis, where assets and liabilities are measured and recorded at net realisable value (NRV). However, since the reporting unit's intention at year-end was to unify with the National Division under the organisation-wide reporting unit structure, the liquidation basis was not considered appropriate.

Therefore, the accounts have been prepared on a modified liquidation basis, whereby all assets and liabilities were valued on a going concern basis but recorded as current, to reflect the fact that the reporting unit would cease to exist within a 12-month period after year-end.

In adopting this modified liquidation basis, the disclosure requirements of Australian Accounting Standards were still applied, to the extent that they are relevant, and have been modified where appropriate.

In particular, the financial report does not include all the disclosures of AASB 5 Non-current assets held for sale and discontinued operations, as the assets and liabilities of the reporting entity are not held for sale nor are the operations discontinuing. Therefore, these disclosures are not considered relevant to users for decision-making purposes.

The accounting policies adopted are consistent with those of the previous financial year, except for:

- Changes specified related to the adoption of the modified liquidation basis; and
- The adoption of new accounting standards as outlined in Note 1.4

**Flight Attendants Association of Australia – International Division**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2020**

Comparative information has not been restated with respect to the adoption of the modified liquidation basis; and is measured and presented on a going concern basis.

**1.2 Comparative amounts**

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

**1.3 Significant accounting judgements and estimates**

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

- Land and buildings – refer to note 1.13
- Employee provisions – refer to note 1.6

**1.4 New Australian Accounting Standards**

***Adoption of New Australian Accounting Standard requirements***

Any new and revised standards that became effective for the first time in the current financial year have been adopted. The adoption of these amendments has not had a material impact on the reporting unit. No accounting standard has been adopted earlier than the application date stated in the standard.

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

- AASB 15 Revenue from Contracts with Customers, which replaces AASB 118 Revenue, and AASB 1058 Income of Not-for-Profit-Entities, which replaces in the income recognition requirements of AASB 1004 Contributions. Application of this standard is discussed further below.
- AASB 16 Leases and amending standards, which replaces AASB117 Leases. Application of this standard is discussed further below.
- AASB 2017-6 Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation. The adoption of this accounting standard did not have a material impact on the reporting unit's financial statements.
- AASB 2017-7 Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures. The adoption of this accounting standard did not have a material impact on the reporting unit's financial statements.
- AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015–2017 Cycle. The adoption of this accounting standard did not have a material impact on the reporting unit's financial statements.

**Flight Attendants Association of Australia – International Division**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2020**

- AASB 2018-2 Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement. The adoption of this accounting standard did not have a material impact on the reporting unit's financial statements.

**Impact on adoption of AASB 15 Revenue from Contracts with Customers (AASB 15) and AASB 1058 Income of Not-for-Profit Entities (AASB 1058)**

AASB 15 Revenue from Contracts with Customers supersedes AASB 111 Construction Contracts, AASB 118 Revenue and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers.

AASB 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which a reporting unit expects to be entitled in exchange for transferring goods or services to a customer. AASB 15 also includes implementation guidance to assist not-for-profit entities to determine whether particular transactions, or components thereof, are contracts with customers. If a transaction is outside the scope of AASB 15, the recognition and measurement of income arising from the transaction may instead be specified by another Standard, for example AASB 1058 Income of Not-for-Profit Entities.

AASB 1058 replaces the income recognition requirements in AASB 1004 Contributions that had previously applied to the reporting unit. AASB 1058 provides a more comprehensive model for accounting for income of not-for-profit entities and specifies that:

- the timing of revenue or income recognition will depend on whether a performance obligation is identified or a liability is recognised;
- not-for-profit lessees can elect to recognise assets, including leases provided at significantly less than fair value, at their fair value; and
- all not-for-profit entities can elect to recognise volunteer services at fair value if the fair value of those services can be reliably measured.

The reporting unit adopted AASB 15 and AASB 1058 using the modified retrospective method of adoption, with the date of initial application of 1 July 2019. In accordance with the transition approach, the reporting unit recognised the cumulative effect (if any) of applying these new standards as an adjustment to opening retained earnings at the date of initial application, i.e. 1 July 2019. Consequently, the comparative information presented has not been restated and continues to be reported under the previous standards on revenue and income recognition. In addition, the reporting unit has applied the practical expedient and elected to apply these standards retrospectively only to contracts and transactions that were not completed contracts at the date of initial application, i.e. as at 1 July 2019.

The adoption of AASB 15 and AASB 1058 did not have a material impact on the reporting unit's financial statements.

**Impact on adoption of AASB 16 Leases**

AASB 16 Leases supersedes AASB 117 Leases, Interpretation 4 Determining whether an Arrangement contains a Lease, Interpretation 115 Operating Leases—Incentives and Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.



**Flight Attendants Association of Australia – International Division**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2020**

Lessor accounting under AASB 16 is substantially unchanged from AASB 117. Lessors will continue to classify leases as either operating or finance leases using similar principles as in AASB 117. Therefore, AASB 16 does not have an impact for leases where the reporting unit is the lessor.

The reporting unit has adopted AASB 16 using the modified retrospective method of transition, with the date of initial application of 1 July 2019. Under this method, the standard is applied retrospectively with the cumulative effect (if any) of initially applying the standard recognised at the date of initial application. The reporting unit elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at 1 July 2019.

Instead, the reporting unit applied the standard only to contracts that were previously identified as leases applying AASB 117 and Interpretation 4 at the date of initial application.

Before the adoption of AASB 16, the reporting unit would have classified its lease contracts (as lessee) at the inception date as either a finance lease or an operating lease.

Upon adoption of AASB 16, the reporting unit applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to Note 1.7 Leases for the accounting policy beginning 1 July 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the reporting unit.

**Leases previously classified as finance leases**

The reporting unit did not have any leases previously classified as finance leases.

**Leases previously accounted for as operating leases**

The reporting unit did not have any leases previously classified as operating leases, except for short-term leases and leases of low-value assets.

**Reporting unit as a lessor**

The reporting unit did not have any leases where it was a lessor.

***Future Australian Accounting Standards Requirements***

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on reporting unit include:

**AASB 2020-1 – Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current**

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if a reporting unit has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. This Standard applies to annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted.

**Flight Attendants Association of Australia – International Division**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2020**

During the financial year ended 30 June 2020, the reporting unit performed a preliminary assessment of AASB 2020-1. The Committee of Management is currently assessing the impact such standards will have on the reporting unit and will not be early adopting AASB 2020-1 for the financial year ended 30 June 2020.

**1.5 Revenue**

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from membership subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the reporting unit retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the reporting unit.

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Donation income is recognised when it is received.

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

**1.6 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 which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

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

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

Provision is made for separation and redundancy benefit payments. The reporting unit recognises a provision for termination as part of a broader restructuring 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.

## **1.7 Leases**

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

### **The reporting unit as a lessee**

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

### **Right-of-use assets**

The reporting unit recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

	<b>2020</b>	<b>2019</b>
Land & buildings	<b>N/A</b>	N/A
Plant and equipment	<b>N/A</b>	N/A

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

### **Lease liabilities**

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

In calculating the present value of lease payments, the reporting unit uses the implicit the interest rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### **Short-term leases and leases of low-value assets**

The reporting unit's short-term leases are those that have a lease term of 12 months or less from the commencement. The reporting unit also applies the lease of low-value assets recognition exemption to low-value leases. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### **1.8 Cash**

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 12 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

### **1.9 Financial instruments**

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

#### **1.10 Financial assets**

##### **Initial recognition and measurement**

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (**OCI**), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the reporting unit's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the reporting unit initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (**SPPI**) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The reporting unit's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the reporting unit commits to purchase or sell the asset.

### **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

### **Financial assets at amortised cost**

The reporting unit 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 (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 reporting unit's financial assets at amortised cost includes trade receivables and loans to related parties.

### **Financial assets at fair value through other comprehensive income**

The reporting unit measures debt instruments at fair value through 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 OCI, 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 reporting unit's debt instruments at fair value through OCI 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 reporting unit can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB132 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 reporting unit 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 OCI are not subject to impairment assessment.

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

**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 OCI, 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 reporting unit 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 reporting unit has transferred substantially all the risks and rewards of the asset, or
  - b) the reporting unit has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the reporting unit 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 reporting unit 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.

**Impairment**

**(i) Trade receivables**

For trade receivables that do not have a significant financing component, the reporting unit applies a simplified approach in calculating expected credit losses (**ECLs**) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the reporting unit does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The reporting unit 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.

**(ii) Debt instruments other than trade receivables**

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the reporting unit recognises an allowance for expected credit losses using the general approach. 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.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where 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 debt, irrespective of the timing of the default (a lifetime ECL).

The reporting unit considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the reporting unit may also consider a financial asset to be in default when internal or external information indicates that the reporting unit 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.

**1.11 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 reporting unit financial liabilities include trade and other payables.

### **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.

## **1.12 Contingent Liabilities and Contingent Assets**

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

## **1.13 Land, Buildings, Plant and Equipment**

### ***Asset Recognition Threshold***

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

### ***Revaluations—Land and Buildings***

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



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

***Depreciation***

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

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

	<b>2019</b>	<b>2018</b>
Buildings	<b>40 years</b>	40 years
Plant and equipment	<b>5 to 10 years</b>	5 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.

**1.14 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 reporting unit were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

**1.15 Taxation**

The reporting unit 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 Tax (GST).

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

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; 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 Australian Taxation Office is classified within operating cash flows.

#### **1.16 Fair value measurement**

The reporting unit measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, 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 13A.

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 reporting unit. 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 reporting unit 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

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For assets and liabilities that are recognised in the financial statements on a recurring basis, the reporting unit 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 reporting unit 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.

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

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

On 18 June 2020, the Fair Work Commission handed down a decision allowing the alteration of rules for the purposes of unifying the International and National Divisions. The rules, modified by the transitional rules intended to facilitate elections for office under the unitary structure, operated until inaugural elections were completed. As a result of COVID-19, such elections were deferred until after 30 June 2020. The unitary structure became operative subsequent to year-end, with an effective date of 16 September 2020.

**Note 2 Going concern**

The reporting unit is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

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

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	2020 \$	2019 \$
<b>Note 3 Income</b>		
<b>3A. Capitation fees and other revenue from another reporting unit</b>		
Capitation fees	-	-
Other revenue from another reporting unit	-	-
<b>Total capitation fees and other revenue from other reporting unit</b>	<b>-</b>	<b>-</b>
<b>3B. Levies</b>		
Compulsory or voluntary levies or appeals	-	-
<b>Total levies</b>	<b>-</b>	<b>-</b>
<b>3C. Interest</b>		
Deposits	193,678	181,579
Loans	-	-
<b>Total interest income</b>	<b>193,678</b>	<b>181,579</b>
<b>3D. Grants or donations</b>		
Grant - Cash Flow Boost	62,500	-
Donations	-	-
<b>Total grants and donations income</b>	<b>62,500</b>	<b>-</b>
<b>3E. Revenue from recovery of wages activity</b>		
Amounts recovered from employers in respect of wages	-	-
Interest received on recovered money	-	-
<b>Total revenue from recovery of wages activity</b>	<b>-</b>	<b>-</b>

**Note 4 Expenses**

<b>4A. Employee expenses</b>		
<b>Holders of office</b>		
Holders of office - wages and salaries	158,544	140,281
Holders of office - superannuation	22,363	12,802
Holders of office - union leave day expenses*	74,846	96,899
Holders of office - separation and redundancies	-	-
Holders of office - other expenses	-	100
<b>Subtotal employee expenses holders of office</b>	<b>255,753</b>	<b>250,082</b>

\* Union leave days: QAL/QCCA provides union leave days for the release of elected officials from FAAA purposes. The FAAA pays QAL/QCCA for the value of the union leave days.

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	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>4A. Employee expenses (continued)</b>		
<b>Employees other than office holders</b>		
Employees - wages and salaries	732,610	575,502
Employees - superannuation	65,860	54,565
Employees - leave and other entitlements	16,242	21,088
Employees - separation and redundancies	-	-
Employees - other expenses	5,411	4,801
<b>Subtotal employee expenses employees other than office holders</b>	<b>820,123</b>	<b>655,956</b>
<b>Total employee expenses</b>	<b>1,075,876</b>	<b>906,038</b>
<b>4B. Capitation fees and other expense to another reporting unit</b>		
Capitation fees	-	-
Other expenses from another reporting unit	-	-
<b>Total capitation fees and other expenses to another reporting unit</b>	<b>-</b>	<b>-</b>
<b>4C. Affiliation fees</b>		
Australian Council of Trade Unions (ACTU)	11,522	15,108
International Transport Workers' Federation (ITWF)	8,480	-
Union Shopper	1,754	1,253
Unions NSW	5,613	4,164
<b>Total affiliation fees expense</b>	<b>27,369</b>	<b>20,525</b>
<b>4D. Administration expenses</b>		
Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	10,643	18,554
Contractors/consultants	-	-
Property expenses	24,974	30,558
Office expenses	61,413	44,043
Information communications technology	42,447	40,673
Other administration expenses	101,860	90,594
<b>Total administration expenses</b>	<b>241,337</b>	<b>224,422</b>

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	2020 \$	2019 \$
<b>4E. Grants or donations</b>		
Grants:		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
Donations:		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	9,091	7,000
<b>Total grants and donations expense</b>	<b>9,091</b>	<b>7,000</b>

The current financial year expenditure item relates to a donation of \$9,091 paid to Pathfinders (2019: \$7,000 to Pathfinders). These donations are attributable to funds raised through advertising revenue.

**4F. Depreciation and amortisation**

Depreciation		
- Buildings	45,000	45,000
- Computers	12,026	11,153
- Furniture and fittings	2,897	1,802
- Office equipment	3,407	3,738
<b>Total depreciation and amortisation expense</b>	<b>63,330</b>	<b>61,693</b>

**4G. Legal costs**

Litigation	-	1,915
Other legal costs	6,158	19,978
<b>Total legal costs</b>	<b>6,158</b>	<b>21,893</b>

**4H. Other expenses**

Penalties - via RO Act or the <i>Fair Work Act 2009</i>	-	-
<b>Total other expenses</b>	<b>-</b>	<b>-</b>

**Note 5 Assets**

**5A. Cash and cash equivalents**

Cash on hand	2,000	2,000
Cash at bank	1,107,840	267,029
Short term deposits	6,500,000	6,856,000
<b>Total cash and cash equivalents</b>	<b>7,609,840</b>	<b>7,125,029</b>

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	2020 \$	2019 \$
<b>5B. Trade and other receivables</b>		
<b>Current</b>		
Receivables from other reporting units	-	-
Less provision for doubtful debts	-	-
<b>Receivable from other reporting units</b>	<u>-</u>	<u>-</u>
<b>Other receivables</b>		
Interest receivable	-	37,177
Net GST receivable	1,113	-
Other trade receivables	-	4,510
Accrued income	12,500	-
<b>Total other receivables</b>	<u><b>13,613</b></u>	<u><b>41,687</b></u>
<b>Total trade and other receivables (net)</b>	<u><b>13,613</b></u>	<u><b>41,687</b></u>

**Note 6 Assets**

**6A. Land and buildings**

Land at fair value	2,000,000	1,800,000
Buildings at fair value	1,890,000	1,800,000
Buildings accumulated depreciation	(90,000)	(45,000)
<b>Total land and buildings</b>	<u><b>3,800,000</b></u>	<u><b>3,555,000</b></u>
Current land and buildings	3,800,000	-
Non-current land and buildings	-	3,555,000
<b>Total land and buildings</b>	<u><b>3,800,000</b></u>	<u><b>3,555,000</b></u>

	<b>Land and Buildings</b>
	<b>\$</b>
<b>Net carrying amount 1 July 2018</b>	<b>3,600,000</b>
Additions	-
Disposals	-
Revaluation	-
Depreciation	(45,000)
<b>Net carrying amount 30 June 2019</b>	<u><b>3,555,000</b></u>

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**Land and Buildings**  
**\$**

**6A. Land and buildings (continued)**

<b>Net carrying amount 1 July 2019</b>	<b>3,555,000</b>
Additions	-
Disposals	-
Revaluation	290,000
Depreciation	(45,000)
<b>Net carrying amount 30 June 2020</b>	<b><u>3,800,000</u></b>

The revalued land and buildings consist of land, buildings and building improvements at 20 Ewan Street, Mascot NSW 2020. The committee of management determined that these constitute one class of asset under AASB 13, based on the nature, characteristics and risks of the property.

Fair value of the properties was determined by using market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for the difference in the nature, location or condition of the specific property. As at the date of revaluation, 10 July 2020, the property's fair value is based on valuations performed by Egan Australasia Pty Ltd, an accredited independent valuer.

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>6B. Plant and equipment</b>		
Computer equipment at cost	122,582	64,213
Computer equipment accumulated depreciation	(58,798)	(46,772)
	<u>63,784</u>	<u>17,441</u>
 Furniture and fittings at cost	 62,911	 53,762
Furniture and fittings accumulated depreciation	(29,034)	(26,137)
	<u>33,877</u>	<u>27,625</u>
 Office equipment at cost	 55,758	 55,758
Office equipment accumulated depreciation	(47,972)	(44,565)
	<u>7,786</u>	<u>11,193</u>
 <b>Total plant and equipment</b>	 <b><u>105,447</u></b>	 <b><u>56,259</u></b>
 Current plant and equipment	 105,447	 -
Non-current plant and equipment	-	56,259
<b>Total plant and equipment</b>	<b><u>105,447</u></b>	<b><u>56,259</u></b>



**Flight Attendants Association of Australia – International Division**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 30 June 2020**

**6B. Plant and equipment (continued)**

	Computer	Furniture and Fittings	Office Equipment	Total
	\$	\$	\$	\$
<b>Net carrying amount 1 July 2018</b>	23,619	4,082	14,931	<b>42,632</b>
Additions	4,975	25,345	-	<b>30,320</b>
Disposals	-	-	-	-
Revaluation	-	-	-	-
Depreciation	(11,153)	(1,802)	(3,738)	<b>(16,693)</b>
<b>Net carrying amount 30 June 2019</b>	<b>17,441</b>	<b>27,625</b>	<b>11,193</b>	<b>56,259</b>
<b>Net carrying amount 1 July 2019</b>	17,441	27,625	11,193	<b>56,259</b>
Additions	58,369	9,149	-	<b>67,518</b>
Disposals	-	-	-	-
Revaluation	-	-	-	-
Depreciation	(12,026)	(2,897)	(3,407)	<b>(18,330)</b>
<b>Net carrying amount 30 June 2020</b>	<b>63,784</b>	<b>33,877</b>	<b>7,786</b>	<b>105,447</b>

**Note 7 Current Liabilities**

**7A. Trade payables**

	2020 \$	2019 \$
Trade creditors and accruals	118,280	96,578
Payables to other reporting units	-	-
<b>Total trade payables</b>	<b>118,280</b>	<b>96,578</b>

Settlement is usually made within 30 days.

**7B. Other payables**

Payable to employers for making payroll deductions of membership subscriptions	-	-
Legal costs:		
- Litigation	-	-
- Other legal costs	-	7,819
Prepayments received/unearned revenue	30,500	21,125
Net GST payable	-	39,605
Other payables	-	23,526
<b>Total other payables</b>	<b>30,500</b>	<b>92,075</b>

**Flight Attendants Association of Australia – International Division**  
**Notes to the Financial Statements**  
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	2020	2019
	\$	\$
<b>Note 8 Provisions</b>		
<b>8A. Employee provisions</b>		
<b>Office Holders:</b>		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions—office holders</b>	<u>-</u>	<u>-</u>
<b>Employees other than office holders:</b>		
Annual leave	59,914	47,402
Long service leave	48,249	44,519
Separations and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions—employees other than office holders</b>	<u><b>108,163</b></u>	<u><b>91,921</b></u>
Current employee provisions	108,163	87,505
Non-current employee provisions	-	4,416
<b>Total employee provisions</b>	<u><b>108,163</b></u>	<u><b>91,921</b></u>
<b>Note 9 Equity</b>		
<b>9A: General funds</b>		
Revaluation reserve		
<b>Balance as at start of year</b>	<b>1,945,784</b>	<b>1,945,784</b>
Gain on revaluation of land and buildings	290,000	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
<b>Balance as at end of year</b>	<u><b>2,235,784</b></u>	<u><b>1,945,784</b></u>
<b>Total reserves</b>	<u><b>2,235,784</b></u>	<u><b>1,945,784</b></u>

**Flight Attendants Association of Australia – International Division**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 30 June 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>9B. Equity - other specific disclosures - funds</b>		
Compulsory levy/voluntary contribution fund – if invested in assets	-	-
Other funds required by rules		
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
<b>Balance as at end of year</b>	<b>-</b>	<b>-</b>

**Note 10 Cash Flow**

**10A. Cash Flow Reconciliation**

**Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Cash and cash equivalents as per:</b>		
Cash flow statement	7,609,840	7,125,029
Balance sheet	7,609,840	7,125,029
<b><i>Difference</i></b>	<b>-</b>	<b>-</b>
<b>Reconciliation of profit to net cash from operating activities:</b>		
Surplus/(deficit) for the year	484,556	516,679
<b>Adjustments for non-cash items</b>		
Depreciation/amortisation	63,330	61,693
<b>Changes in assets/liabilities</b>		
(Increase)/decrease in net receivables	28,074	5,471
(Increase)/decrease in prepayments	-	4,459
Increase/(decrease) in supplier payables	21,702	(66,635)
Increase/(decrease) in other payables	(61,575)	24,620
Increase/(decrease) in employee provisions	16,242	21,087
<b>Net cash from operating activities</b>	<b>552,329</b>	<b>567,374</b>

**Flight Attendants Association of Australia – International Division**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 30 June 2020**

	2020	2019
	\$	\$
<b>10B. Cash flow information</b>		
<b>Receipts from/payments to other reporting units/controlled entities</b>		
Cash inflows:		
Flight Attendants Association - National Division	169,544	72,276
<b>Total cash inflows</b>	<b>169,544</b>	<b>72,276</b>
Cash outflows:		
Flight Attendants Association - National Division	(3,026)	(2,364)
Elected officials	(74,846)	(96,899)
<b>Total cash outflows</b>	<b>(77,872)</b>	<b>(99,263)</b>

**Note 11 Related Party Disclosures**

**11A. Related Party Transactions for the Reporting Period**

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

Amounts received from Flight Attendants Association - National Division includes the following:

- Reimbursements of outgoings, salaries and other services provided	169,544	72,276
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Expenses paid to Flight Attendants Association - National Division include the following:

- Administration fee	(3,026)	(2,364)
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Expenses paid to elected officials include the following:

- Union leave days expenses*	(74,846)	(96,899)
------------------------------	----------	----------

\* Union leave days: QAL/QCCA provides union leave days for the release of elected officials from FAAA purposes. The FAAA pays QAL/QCCA for the value of the union leave days.

Amounts owed by related parties include the following:	-	-
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Amounts owed to related parties include the following:	-	-
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Loans from/to related parties include the following:	-	-
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Assets transferred from/to related parties include the following:	-	-
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**Flight Attendants Association of Australia – International Division**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 30 June 2020**

**11A. Related Party Transactions for the Reporting Period (continued)**

**Terms and conditions of transactions with related parties**

The reimbursement of outgoings and other services provided to related parties (Flight Attendants Association - National Division) primarily relate to the use of ground floor of 20 Ewan Street, Mascot NSW 2020. These transactions are made on terms equivalent to those that prevail in arm's length transactions. Any outstanding balances at year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2020, the reporting unit has not recorded any receivable relating to amounts owed by related parties and declared person or body (2019: \$Nil). Hence, no impairment of receivables have been recorded either (2019: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>11B. Key Management Personnel Remuneration for the Reporting Period</b>		
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	363,039	340,861
Annual leave accrued	(718)	6,158
Union leave days*	54,436	86,449
Performance bonus	-	-
<b>Total short-term employee benefits</b>	<b>416,757</b>	<b>433,468</b>
* Union leave days: QAL/QCCA provides union leave days for the release of elected officials from FAAA purposes. The FAAA pays QAL/QCCA for the value of the union leave days.		
<b>Post-employment benefits:</b>		
Superannuation	34,165	32,177
<b>Total post-employment benefits</b>	<b>34,165</b>	<b>32,177</b>
<b>Other long-term benefits:</b>		
Long-service leave	6,529	2,501
<b>Total other long-term benefits</b>	<b>6,529</b>	<b>2,501</b>
<b>Termination benefits</b>	<b>-</b>	<b>-</b>
<b>Total employee benefits to key management personnel</b>	<b>457,451</b>	<b>468,146</b>

**Flight Attendants Association of Australia – International Division**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 30 June 2020**

	2020 \$	2019 \$
<b>Note 12 Financial Instruments</b>		
<b>12A. Categories of Financial Instruments</b>		
<b>Financial Assets:</b>		
Cash and bank balances:		
Cash at bank	1,107,840	267,029
Cash on hand	2,000	2,000
<b>Total cash and cash balances</b>	<b>1,109,840</b>	<b>269,029</b>
Fair value through profit or loss	-	-
<b>Total fair value through profit or loss assets</b>	<b>-</b>	<b>-</b>
Held-to-maturity investments:		
Short term deposits	6,500,000	6,856,000
<b>Total held-to-maturity investments</b>	<b>6,500,000</b>	<b>6,856,000</b>
Available-for-sale assets	-	-
<b>Total available-for-sale assets</b>	<b>-</b>	<b>-</b>
Loans and receivables:		
Interest receivable	-	37,177
Pledges receivable	-	4,510
Net GST receivable	1,113	-
Accrued income	12,500	-
<b>Total loans and receivables</b>	<b>13,613</b>	<b>41,687</b>
<b>Carrying amount of financial assets</b>	<b>7,623,453</b>	<b>7,166,716</b>
<b>Financial Liabilities:</b>		
Fair value through profit or loss:	-	-
<b>Total fair value through profit or loss liabilities</b>	<b>-</b>	<b>-</b>
Other financial liabilities:		
Trade creditors and accruals	118,280	96,578
Net GST payable	-	39,605
Other payables	-	31,345
Employee provisions	108,163	91,921
<b>Total other financial liabilities</b>	<b>226,443</b>	<b>259,449</b>
<b>Carrying amount of financial liabilities</b>	<b>226,443</b>	<b>259,449</b>

**Flight Attendants Association of Australia – International Division**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 30 June 2020**

	2020 \$	2019 \$
<b>12B. Net Income and Expense from Financial Assets</b>		
<b>Held-to-maturity</b>		
Interest revenue	193,678	181,579
Bank charges and merchant fees	(23,878)	(19,853)
<b>Net gain held-to-maturity</b>	<b>169,800</b>	<b>161,726</b>
 Loans and receivables	 -	 -
<b>Net gain from loans and receivables</b>	<b>-</b>	<b>-</b>
 Available for sale	 -	 -
<b>Net gain from available for sale</b>	<b>-</b>	<b>-</b>
 <b>Fair value through profit and loss:</b>		
Held for trading	-	-
<b>Total held for trading</b>	<b>-</b>	<b>-</b>
 Designated as fair value through profit and loss	 -	 -
<b>Total designated as fair value through profit and loss</b>	<b>-</b>	<b>-</b>
 <b>Net gain at fair value through profit and loss</b>	 <b>-</b>	 <b>-</b>
 <b>Net gain from financial assets</b>	 <b>169,800</b>	 <b>161,726</b>

The net income from financial assets not at fair value from profit and loss is \$169,800 (2019: \$161,726).

**12C. Net Income and Expense from Financial Liabilities**

At amortised cost	-	-
<b>Net gain financial liabilities - at amortised cost</b>	<b>-</b>	<b>-</b>
 <b>Fair value through profit and loss:</b>		
Held for trading	-	-
<b>Total held for trading</b>	<b>-</b>	<b>-</b>
 Designated as fair value through profit and loss	 -	 -
<b>Total designated as fair value through profit and loss</b>	<b>-</b>	<b>-</b>
 <b>Net gain at fair value through profit and loss</b>	 <b>-</b>	 <b>-</b>
 <b>Net gain from financial liabilities</b>	 <b>-</b>	 <b>-</b>

The net income from financial liabilities not at fair value from profit and loss is \$nil (2019: \$nil).

**Flight Attendants Association of Australia – International Division**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 30 June 2020**

**2020**  
**\$**

**2019**  
**\$**

**12D. Credit Risk**

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

**Financial assets**

Loans and receivables	13,613	41,687
<b>Total financial assets</b>	<b>13,613</b>	<b>41,687</b>

**Financial liabilities**

Trade creditors and accruals	118,280	96,578
GST payable	-	39,605
Other payables	-	31,345
Employee provisions	108,163	91,921
<b>Total financial liabilities</b>	<b>226,443</b>	<b>259,449</b>

In relation to the reporting unit's gross credit risk the following collateral is held: nil.

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

No financial asset, individually, was past its due date and there were no other recoverability issues identified. Therefore, no financial asset was assessed as being impaired.

**12E. Liquidity Risk**

The reporting unit does not have any financial liabilities that are subject to contractual maturities.

**12F. Market Risk**

**Interest rate risk**

Interest rates on short-term deposits are fixed at the beginning of the term. The reporting unit earned an average of 2.25% on term deposits during the year. Accounts receivable and accounts payable do not attract any interest.

**Price risk**

The reporting unit does not hold any financial assets nor liabilities that are sensitive to price risk.

**12G. Asset Pledged/or Held as Collateral**

The reporting unit does not have any assets pledged nor held as collateral.

**12H. Changes in liabilities arising from financing activities**

The reporting unit does not have any liabilities arising from financing activities.



**Flight Attendants Association of Australia – International Division**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 30 June 2020**

**13 Fair Value Measurement**

**13A. Financial Assets and Liabilities**

The committee of management of the reporting unit 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. See Note 12A for a list of these financial assets and liabilities.

**13B. Financial and Non-financial Assets and Liabilities Fair Value Hierarchy**

The following tables provide an analysis of financial and non-financial assets and liabilities that are measured at fair value, by fair value hierarchy.

**Fair value hierarchy – 30 June 2020**

	<b>Date of valuation</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Assets measured at fair value</b>		<b>\$</b>	<b>\$</b>	<b>\$</b>
Land and buildings	30-Jun-20	-	3,800,000	-
<b>Total assets measured at fair value</b>		<b>-</b>	<b>3,800,000</b>	<b>-</b>
<b>Liabilities measured at fair value</b>	30-Jun-20			
<b>Total liabilities measured at fair value</b>		<b>-</b>	<b>-</b>	<b>-</b>

**Fair value hierarchy – 30 June 2019**

	<b>Date of valuation</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Assets measured at fair value</b>		<b>\$</b>	<b>\$</b>	<b>\$</b>
Land and buildings	30-Jun-19	-	3,555,000	-
<b>Total assets measured at fair value</b>		<b>-</b>	<b>3,555,000</b>	<b>-</b>
<b>Liabilities measured at fair value</b>	30-Jun-19			
<b>Total liabilities measured at fair value</b>		<b>-</b>	<b>-</b>	<b>-</b>

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Note 14 Remuneration of Auditors</b>		
<b>Value of the services provided</b>		
Financial statement audit services	11,000	9,800
Other services	-	-
<b>Total remuneration of auditors</b>	<b>11,000</b>	<b>9,800</b>

No other services were provided by the auditors of the financial statements.

**Flight Attendants Association of Australia – International Division**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 30 June 2020**

**Note 15 Administration of financial affairs by a third party**

The reporting unit did not have another entity/reporting unit administer the financial affairs of the reporting unit for the year ended 30 June 2020 (2019: None).

**Note 16 Payments to former related parties**

The reporting unit did not make a payment to a former related party of the reporting unit during the year ended 30 June 2020 (2019: None).

**Note 17 Events after the reporting period**

On 18 June 2020, the Fair Work Commission handed down a decision allowing the alteration of rules for the purposes of unifying the International and National Divisions. The rules, modified by the transitional rules intended to facilitate elections for office under the unitary structure, operated until inaugural elections were completed. As a result of COVID-19, such elections were deferred until after 30 June 2020. The unitary structure became operative subsequent to year-end, with an effective date of 16 September 2020.

There were no other events that occurred after 30 June 2020, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the reporting unit.

**Note 18 Section 272 *Fair Work (Registered Organisations) Act 2009***

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

Information to be provided to members or Commissioner:

- (1) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

**Flight Attendants Association of Australia – International Division**  
**Independent Audit Report to the Members of Flight Attendants Association of Australia – International Division**  
**For the Financial Year Ended 30 June 2020**

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the financial report of Flight Attendants Association of Australia – International Division (the Reporting Unit), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2020, notes to the financial statements, including a summary of significant accounting policies; the Committee of Management Statement and the subsection 255(2A) report.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Flight Attendants Association of Australia – International Division as at 30 June 2020, 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).

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

**Basis for Opinion**

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

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

**Emphasis of Matter – Basis of Accounting**

We draw attention to the notes to the financial report, which describe the basis of accounting. As outlined in Note 1.1, the financial statements have been prepared on a modified liquidation basis. Our conclusion is not modified in respect of this matter.

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

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

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

**Flight Attendants Association of Australia – International Division**  
**Independent Audit Report to the Members of Flight Attendants Association of Australia – International Division**  
**For the Financial Year Ended 30 June 2020**

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.

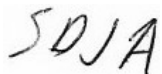
**Flight Attendants Association of Australia – International Division**  
**Independent Audit Report to the Members of Flight Attendants Association of Australia – International Division**  
**For the Financial Year Ended 30 June 2020**

- 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. We are responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for our audit opinion.

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

We declare that we are an audit firm where at least one member is a registered auditor and are an auditor registered under the RO Act.

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/28.



**SDJA**



**Simon Joyce**

Director

2 November 2020

Sydney, New South Wales