



Australian Government
Registered Organisations Commission

12 March 2021

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

By email: geeta@faaa.net

Dear Ms O'Toole

Flight Attendants' Association of Australia - International Division
Financial Report for the year ended 15 September 2020 - FR2020/263

I acknowledge receipt of the financial report for the year ended 15 September 2020 for the Flight Attendants' Association of Australia - International Division (**the reporting unit**). The original financial report was lodged with the Registered Organisations Commission (**the ROC**) on 8 March 2021.

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

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

Yours faithfully

A handwritten signature in black ink, appearing to read 'K. Morgan'.

KEN MORGAN
Financial Reporting Specialist
Registered Organisations Commission

Flight Attendants Association of Australia- International Division

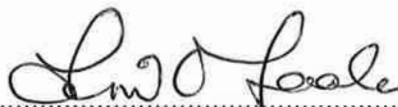
s.268 Fair Work (Registered Organisations) Act 2009 certificate by prescribed designated officer¹

Certificate for the Period ended 15 September 2020.

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

- that the documents lodged herewith are copies of the full report for the Flight Attendants Association of Australia- International Division for the period ended 15 September 2020 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 5 March 2021: and
- that the full report was presented to a meeting of the Executive committee of management of the reporting unit on 5 March 2021 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: 11 /3/ 2021.....

¹ Regulation 162 of the Fair Work (Registered Organisations) Regulations 2009 defines a 'prescribed designated officer' of a reporting unit for the purposes of s.268(c) as:

- (a) the secretary; or
- (b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

Flight Attendants Association of Australia - International Division

Financial Statements
For the Period Ended 15 September 2020

**Flight Attendants Association of Australia – International Division
Operating Report
For the Period Ended 15 September 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 period ended 15 September 2020.

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

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. The unitary structure became operative on 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 Period Ended 15 September 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

As at 15 September 2020	As at 30 June 2020
3,573 members	3,718 members

Number of employees

As at 15 September 2020	As at 30 June 2020
13 employees	12 employees

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

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

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

**Flight Attendants Association of Australia – International Division
Operating Report
For the Period Ended 15 September 2020**

The names of the members of the Divisional Council in office during the financial period 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:



TERI O'TOOLE

Name and title of designated officer:

FEDERAL SECRETARY

Dated:

5/3/21

**Flight Attendants Association of Australia – International Division
Committee of Management Statement
For the Period Ended 15 September 2020**

On 5 March 2021, 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 period ended 15 September 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 period 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 period to which the GPFR relates and since the end of that period:
 - (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:

 **TERI O'TOOLE**

Name and title of designated officer:

FEDERAL SECRETARY

Dated:

5/3/21

Flight Attendants Association of Australia – International Division
Report Required Under Subsection 255(2A)
For the Financial Period Ended 15 September 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 period ended 15 September 2020.

Categories of expenditures	Period Ended 15-Sep-20 \$	Year Ended 30-Jun-20 \$
Remuneration and other employment-related costs and expenses - employees	220,216	1,075,876
Advertising	-	-
Operating costs	79,844	352,127
Donations to political parties	-	-
Legal costs	13,219	6,158

Signature of designated officer:

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

Dated: **5/3/21**

Subsequent Events Review

Client Name: Flight Attendants' Association of Australia, International Division

Period End: 15 September 2020

	Nature and extent of audit procedures	Comments
1	Has there been any subsequent events occurring since period end that may affect the financial statements?	No
2	Since period end have there been any matters concerning litigation and claims?	No
3	Has the entity entered into any new leases since period end?	No
4	Has the entity entered into any new significant contracts since period end?	No
5	Has the entity lost any significant contracts since period end?	No
6	Has there been any instances of non-compliance with any laws and/or regulations since period end? (eg: income tax, GST, ACNC Act, Corporations Act etc)	No
7	Has there been any fraud or suspected fraud detected since period end?	No
8	Has the entity entered into any debt arrangements since period end?	No
9	Has there been any change in the management structure or key management personnel since period end?	No
10	Is there any other information or events post period end to be aware of?	No

Signed:

Name:

Teri O'Toole

Date:

5/3/21

Position:

Federal Secretary

Flight Attendants Association of Australia – International Division
Statement of Profit or Loss and Other Comprehensive Income
For the Financial Period Ended 15 September 2020

	Notes	Period Ended 15-Sep-20 \$	Year Ended 30-Jun-20 \$
Revenue			
Membership subscription		357,266	1,622,610
Capitation fees and other revenue from another reporting unit	3A	-	-
Levies	3B	-	-
Interest revenue	3C	27,927	193,678
Other revenue		-	39,929
Total revenue		385,193	1,856,217
Other income			
Grants and/or donations	3D	37,500	62,500
Revenue from recovery of wages activity	3E	-	-
Total other income		37,500	62,500
Total income		422,693	1,918,717
Expenses			
Employee expenses	4A	(220,216)	(1,075,876)
Capitation fees and other expense to another reporting unit	4B	-	-
Affiliation fees	4C	-	(27,369)
Administration expenses	4D	(49,794)	(241,337)
Grants or donations	4E	-	(9,091)
Depreciation and amortisation	4F	(20,050)	(63,330)
Legal costs	4G	(13,219)	(6,158)
Audit fees	14	(10,000)	(11,000)
Other expenses	4H	-	-
Total expenses		(313,279)	(1,434,161)
Surplus for the period/year		109,414	484,556
Other comprehensive income			
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
Total comprehensive income for the period/year		109,414	774,556

The accompanying notes form part of these financial statements.

Flight Attendants Association of Australia – International Division
Statement of Financial Position
As at 15 September 2020

	Notes	As at 15-Sep-20 \$	As at 30-Jun-20 \$
Assets			
Current			
Cash and cash equivalents	5A	7,725,411	7,609,840
Trade and other receivables	5B	30,198	13,613
Other current assets	5C	14,881	-
Land and buildings	6A	3,788,750	3,800,000
Plant and equipment	6B	96,647	105,447
Current assets		11,655,887	11,528,900
Non-current			
Land and buildings	6A	-	-
Plant and equipment	6B	-	-
Non-current assets		-	-
Total assets		11,655,887	11,528,900
Liabilities			
Current			
Trade payables	7A	52,272	118,280
Other payables	7B	112,493	30,500
Employee provisions	8A	109,751	108,163
Current liabilities		274,516	256,943
Non-current			
Employee provisions	8A	-	-
Non-current liabilities		-	-
Total liabilities		274,516	256,943
Net assets		11,381,371	11,271,957
Equity			
Revaluation reserve	9A	2,235,784	2,235,784
Retained earnings		9,145,587	9,036,173
Total equity		11,381,371	11,271,957

The accompanying notes form part of these financial statements.

Flight Attendants Association of Australia – International Division
Statement of Changes in Equity
For the Financial Period Ended 15 September 2020

	Notes	Revaluation Reserve \$	Retained Earnings \$	Total Equity \$
Balance at 1 July 2019		1,945,784	8,551,617	10,497,401
Surplus for the year		-	484,556	484,556
Other comprehensive income				
- Gain on revaluation of land and buildings	9A	290,000	-	-
Total comprehensive income		290,000	484,556	774,556
Balance at 30 June 2020		2,235,784	9,036,173	11,271,957
Balance at 1 July 2020		2,235,784	9,036,173	11,271,957
Surplus for the period		-	109,414	109,414
Other comprehensive income		-	-	-
Total comprehensive income		-	109,414	109,414
Balance at 15 September 2020		2,235,784	9,145,587	11,381,371

The accompanying notes form part of these financial statements.

Flight Attendants Association of Australia – International Division
Statement of Cash Flows
For the Financial Period Ended 15 September 2020

	Notes	Period Ended 15-Sep-20 \$	Year Ended 30-Jun-20 \$
OPERATING ACTIVITIES			
Cash received			
Membership fees received		426,271	1,798,756
Receipts from government stimulus		37,500	50,000
Interest received		27,927	230,855
Other		-	43,922
Receipt from other reporting units/controlled entities	10B	33,564	169,544
Cash used			
Payments to suppliers and employees		(409,692)	(1,662,876)
Payment to other reporting units/controlled entities	10B	-	(77,872)
Net cash from operating activities	10A	115,571	552,329
INVESTING ACTIVITIES			
Cash used			
Purchase of buildings, plant and equipment		-	(67,518)
Net cash used in investing activities		-	(67,518)
FINANCING ACTIVITIES			
Net cash from financing activities		-	-
Net increase in cash and cash equivalents		115,571	484,811
Cash and cash equivalents at beginning of financial period/year		7,609,840	7,125,029
Cash and cash equivalents at end of financial period/year	5A	7,725,411	7,609,840

The accompanying notes form part of these financial statements.

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Period Ended 15 September 2020

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 period-end; and came to fruition subsequent to period-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 period-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 period-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 period-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 Period Ended 15 September 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 period.

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 period 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.

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.

During the financial period ended 15 September 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 period ended 15 September 2020.

1.5 Revenue

Revenue from contracts with customers

Revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the entity expects to receive in exchange for those goods or services.

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Period Ended 15 September 2020

Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Other revenue

For any revenue streams that are not defined as contracts with customers, then the revenue is recognised when the entity gains control, economic benefits are probable and the amount of the revenue can be measured reliably.

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.

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Period Ended 15 September 2020

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.

	As at 15 September 2020	As at 30 June 2020
Land & buildings	N/A	N/A
Plant and equipment	N/A	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.

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Period Ended 15 September 2020

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.

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Period Ended 15 September 2020

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.

Flight Attendants Association of Australia – International Division
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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).

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Period Ended 15 September 2020

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.

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Notes to the Financial Statements
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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.

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:

	Period Ended 15 September 2020	Year Ended 30 June 2020
Buildings	40 years	40 years
Plant and equipment	5 to 10 years	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.

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Period Ended 15 September 2020

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).

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.

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Period Ended 15 September 2020

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the 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. The unitary structure became operative subsequent to period-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.

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Financial Period Ended 15 September 2020

	Period Ended 15-Sep-20 \$	Year Ended 30-Jun-20 \$
Note 3 Income		
3A. Capitation fees and other revenue from another reporting unit		
Capitation fees	-	-
Other revenue from another reporting unit	-	-
Total capitation fees and other revenue from other reporting unit	-	-
3B. Levies		
Compulsory or voluntary levies or appeals	-	-
Total levies	-	-
3C. Interest		
Deposits	27,927	193,678
Loans	-	-
Total interest income	27,927	193,678
3D. Grants or donations		
Grant - Cash Flow Boost	37,500	62,500
Donations	-	-
Total grants and donations income	37,500	62,500
3E. Revenue from recovery of wages activity		
Amounts recovered from employers in respect of wages	-	-
Interest received on recovered money	-	-
Total revenue from recovery of wages activity	-	-

Unless otherwise noted, all revenue streams are accounted for in accordance with *AASB 15 Revenue from contracts with customers* unless otherwise noted.

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Financial Period Ended 15 September 2020

	Period Ended 15-Sep-20 \$	Year Ended 30-Jun-20 \$
Note 4 Expenses		
4A. Employee expenses		
Holders of office		
Holders of office - wages and salaries	42,578	158,544
Holders of office - superannuation	3,919	22,363
Holders of office - leave and other entitlements	-	-
Holders of office - union leave day expenses*	-	74,846
Holders of office - separation and redundancies	-	-
Holders of office - other expenses	-	-
Subtotal employee expenses holders of office	46,497	255,753
* 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.		
Employees other than office holders		
Employees - wages and salaries	152,139	732,610
Employees - superannuation	19,670	65,860
Employees - leave and other entitlements	1,588	16,242
Employees - separation and redundancies	-	-
Employees - other expenses	322	5,411
Subtotal employee expenses employees other than office holders	173,719	820,123
Total employee expenses	220,216	1,075,876
4B. Capitation fees and other expense to another reporting unit		
Capitation fees	-	-
Other expenses from another reporting unit	-	-
Total capitation fees and other expenses to another reporting unit	-	-
4C. Affiliation fees		
Australian Council of Trade Unions (ACTU)	-	11,522
International Transport Workers' Federation (ITWF)	-	8,480
Union Shopper	-	1,754
Unions NSW	-	5,613
Total affiliation fees expense	-	27,369

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Financial Period Ended 15 September 2020

	Period Ended 15-Sep-20 \$	Year Ended 30-Jun-20 \$
4D. Administration expenses		
Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	10,643
Contractors/consultants	-	-
Property expenses	19,615	24,974
Office expenses	8,510	61,413
Information communications technology	9,140	42,447
Other administration expenses	12,529	101,860
Total administration expenses	49,794	241,337

4E. Grants or donations

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

Total grants and donations expense

- **9,091**

The were no grants/donations included in the current financial expenditure (30 June 2020: \$9,091 paid to Pathfinders, which were donations attributable to funds raised through advertising revenue).

4F. Depreciation and amortisation

Depreciation

- Buildings

11,250 45,000

- Computers

6,877 12,026

- Furniture and fittings

1,100 2,897

- Office equipment

823 3,407

Total depreciation and amortisation expense

20,050 63,330

4G. Legal costs

Litigation

- -

Other legal costs

13,219 6,158

Total legal costs

13,219 6,158

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Financial Period Ended 15 September 2020

	Period Ended 15-Sep-20 \$	Year Ended 30-Jun-20 \$
4H. Other expenses		
Penalties - via RO Act or the <i>Fair Work Act 2009</i>	-	-
Total other expenses	-	-
	As at 15-Sep-20 \$	As at 30-Jun-20 \$
Note 5 Assets		
5A. Cash and cash equivalents		
Cash on hand	2,000	2,000
Cash at bank	1,223,411	1,107,840
Short term deposits	6,500,000	6,500,000
Total cash and cash equivalents	7,725,411	7,609,840
5B. Trade and other receivables		
Current		
Receivables from other reporting units	16,158	-
Less provision for doubtful debts	-	-
Receivable from other reporting units	16,158	-
Other receivables		
Net GST receivable	-	1,113
Other trade receivables	1,540	-
Accrued income	12,500	12,500
Total other receivables	14,040	13,613
Total trade and other receivables (net)	30,198	13,613
Note 5C: Other current assets		
Prepayments	14,881	-
Total other current assets	14,881	-

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Financial Period Ended 15 September 2020

	As at 15-Sep-20 \$	As at 30-Jun-20 \$
Note 6 Assets		
6A. Land and buildings		
Land at fair value	2,000,000	2,000,000
Buildings at fair value	1,890,000	1,890,000
Buildings accumulated depreciation	(101,250)	(90,000)
Total land and buildings	3,788,750	3,800,000
Current land and buildings	3,788,750	3,800,000
Non-current land and buildings	-	-
Total land and buildings	3,788,750	3,800,000
	Land and Buildings	
	\$	
Net carrying amount 1 July 2019	3,555,000	
Additions	-	
Disposals	-	
Revaluation	290,000	
Depreciation	(45,000)	
Net carrying amount 30 June 2020	3,800,000	
Net carrying amount 1 July 2020	3,800,000	
Additions	-	
Disposals	-	
Revaluation	-	
Depreciation	(11,250)	
Net carrying amount 15 September 2020	3,788,750	

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.

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Financial Period Ended 15 September 2020

	As at 15-Sep-20 \$	As at 30-Jun-20 \$
6B. Plant and equipment		
Computer equipment at cost	122,582	122,582
Computer equipment accumulated depreciation	(65,675)	(58,798)
	<u>56,907</u>	<u>63,784</u>
 Furniture and fittings at cost	 62,911	 62,911
Furniture and fittings accumulated depreciation	(30,134)	(29,034)
	<u>32,777</u>	<u>33,877</u>
 Office equipment at cost	 55,758	 55,758
Office equipment accumulated depreciation	(48,795)	(47,972)
	<u>6,963</u>	<u>7,786</u>
 Total plant and equipment	 <u>96,647</u>	 <u>105,447</u>
 Current plant and equipment	 96,647	 105,447
Non-current plant and equipment	-	-
Total plant and equipment	<u>96,647</u>	<u>105,447</u>

	Computer \$	Furniture and Fittings \$	Office Equipment \$	Total \$
Net carrying amount 1 July 2019	17,441	27,625	11,193	56,259
Additions	58,369	9,149	-	67,518
Disposals	-	-	-	-
Revaluation	-	-	-	-
Depreciation	(12,026)	(2,897)	(3,407)	(18,330)
Net carrying amount 30 June 2020	<u>63,784</u>	<u>33,877</u>	<u>7,786</u>	<u>105,447</u>
 Net carrying amount 1 July 2020	 63,784	 33,877	 7,786	 105,447
Additions	-	-	-	-
Disposals	-	-	-	-
Revaluation	-	-	-	-
Depreciation	(6,877)	(1,100)	(823)	(8,800)
Net carrying amount 15 September 2020	<u>56,907</u>	<u>32,777</u>	<u>6,963</u>	<u>96,647</u>

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Financial Period Ended 15 September 2020

	As at 15-Sep-20 \$	As at 30-Jun-20 \$
Note 7 Current Liabilities		
7A. Trade payables		
Trade creditors and accruals	51,426	118,280
Payables to other reporting units	846	-
Total trade payables	52,272	118,280

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	1,320	-
Prepayments received/unearned revenue	65,319	30,500
Net GST payable	30,305	-
Other payables	15,549	-
Total other payables	112,493	30,500

Note 8 Provisions

8A. Employee provisions

Office Holders:

Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-

Employees other than office holders:

Annual leave	59,914	59,914
Long service leave	49,837	48,249
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	109,751	108,163

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Financial Period Ended 15 September 2020

	As at 15-Sep-20 \$	As at 30-Jun-20 \$
8A. Employee provisions (continued)		
Current employee provisions	109,751	108,163
Non-current employee provisions	-	-
Total employee provisions	109,751	108,163

Note 9 Equity

9A: General funds

Revaluation reserve		
Balance as at start of period/year	2,235,784	1,945,784
Gain on revaluation of land and buildings	-	290,000
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of period/year	2,235,784	2,235,784
Total reserves	2,235,784	2,235,784

9B. Equity - other specific disclosures - funds

Compulsory levy/voluntary contribution fund – if invested in assets	-	-
Other funds required by rules		
Balance as at start of period/year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of period/year	-	-

Note 10 Cash Flow

10A. Cash Flow Reconciliation

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

Cash and cash equivalents as per:

Cash flow statement	7,725,411	7,609,840
Balance sheet	7,725,411	7,609,840
Difference	-	-

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Financial Period Ended 15 September 2020

	Period Ended 15-Sep-20 \$	Year Ended 30-Jun-20 \$
Reconciliation of profit to net cash from operating activities:		
Surplus/(deficit) for the period/year	109,414	484,556
Adjustments for non-cash items		
Depreciation/amortisation	20,050	63,330
Changes in assets/liabilities		
(Increase)/decrease in net receivables	(16,585)	28,074
(Increase)/decrease in prepayments	(14,881)	-
Increase/(decrease) in supplier payables	(66,008)	21,702
Increase/(decrease) in other payables	81,993	(61,575)
Increase/(decrease) in employee provisions	1,588	16,242
Net cash from operating activities	115,571	552,329

10B. Cash Flow Information

Receipts from/payments to other reporting units/controlled entities

Cash inflows:

Flight Attendants Association of Australia - National Division	33,564	169,544
Total cash inflows	33,564	169,544

Cash outflows:

Flight Attendants Association of Australia - National Division	-	(3,026)
Elected officials	-	(74,846)
Total cash outflows	-	(77,872)

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 period/year.

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

- Reimbursements of outgoings, salaries and other services provided	48,876	169,544
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Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Financial Period Ended 15 September 2020

	Period Ended 15-Sep-20 \$	Year Ended 30-Jun-20 \$
11A. Related Party Transactions for the Reporting Period (continued)		
Expenses paid to Flight Attendants Association of Australia - National Division include the following:		
- Administration fee	-	(3,026)
Expenses paid to elected officials include the following:		
- Union leave days expenses*	-	(74,846)
* 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 Flight Attendants Association of Australia - National Division include the following:		
Receivables	16,158	-
Amounts owed to Flight Attendants Association of Australia - National Division include the following:		
Payables	846	-
Loans from/to related parties include the following:	-	-
Assets transferred from/to related parties include the following:	-	-

Terms and conditions of transactions with related parties

The reimbursement of outgoings and other services provided to related parties (Flight Attendants Association of Australia - 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 period-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 period ended 15 September 2020, the reporting unit has recorded a receivable of \$16,158 (see Note 5B) and a payable of \$846 (see Note 7A) relating to amounts owed by/to related parties and declared person or body (year ended 30 June 2020: \$Nil). No impairment of receivables have been recorded either (year ended 30 June 2020: \$Nil). This assessment is undertaken each financial period through examining the financial position of the related party and the market in which the related party operates.

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Financial Period Ended 15 September 2020

	Period Ended 15-Sep-20 \$	Year Ended 30-Jun-20 \$
11B. Key Management Personnel Remuneration for the Reporting Period		
Short-term employee benefits		
Salary (including annual leave taken)	74,785	363,039
Annual leave accrued	1,464	(718)
Union leave days*	-	54,436
Performance bonus	-	-
Total short-term employee benefits	76,248	416,757
* 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.		
Post-employment benefits:		
Superannuation	7,916	34,165
Total post-employment benefits	7,916	34,165
Other long-term benefits:		
Long-service leave	1,316	6,529
Total other long-term benefits	1,316	6,529
Termination benefits	-	-
Total employee benefits to key management personnel	85,481	457,451
	As at 15-Sep-20 \$	As at 30-Jun-20 \$

Note 12 Financial Instruments

12A. Categories of Financial Instruments

Financial Assets:

Cash and bank balances:

Cash at bank	1,223,411	1,107,840
Cash on hand	2,000	2,000
Total cash and cash balances	1,225,411	1,109,840
Total fair value through profit or loss assets	-	-

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Financial Period Ended 15 September 2020

	As at 15-Sep-20 \$	As at 30-Jun-20 \$
12A. Categories of Financial Instruments (continued)		
Held-to-maturity investments:		
Short term deposits	6,500,000	6,500,000
Total held-to-maturity investments	6,500,000	6,500,000
Total available-for-sale assets	-	-
Loans and receivables:		
Receivables from other reporting units	16,158	-
Pledges receivable	1,540	-
Net GST receivable	-	1,113
Accrued income	12,500	12,500
Total loans and receivables	30,198	13,613
Carrying amount of financial assets	7,755,609	7,623,453
Financial Liabilities:		
Total fair value through profit or loss liabilities	-	-
Other financial liabilities:		
Trade creditors and accruals	51,426	118,280
Payables to other reporting units	846	-
Net GST payable	30,305	-
Other payables	16,869	-
Employee provisions	109,751	108,163
Total other financial liabilities	209,197	226,443
Carrying amount of financial liabilities	209,197	226,443
	Period Ended 15-Sep-20 \$	Year Ended 30-Jun-20 \$
12B. Net Income and Expense from Financial Assets		
Held-to-maturity		
Interest revenue	27,927	193,678
Bank charges and merchant fees	(6,598)	(23,878)
Net gain held-to-maturity	21,329	169,800

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Financial Period Ended 15 September 2020

	Period Ended 15-Sep-20 \$	Year Ended 30-Jun-20 \$
12B. Net Income and Expense from Financial Assets (continued)		
Net gain from loans and receivables	-	-
Net gain from available for sale	-	-
Fair value through profit and loss: Total held for trading	-	-
Total designated as fair value through profit and loss	-	-
Net gain at fair value through profit and loss	-	-
Net gain from financial assets	21,329	169,800

The net income from financial assets not at fair value from profit and loss for the period ended 15 September was \$21,329 (year ended 30 June 2020: \$169,800).

12C. Net Income and Expense from Financial Liabilities

Net gain financial liabilities - at amortised cost	-	-
Fair value through profit and loss: Total held for trading	-	-
Total designated as fair value through profit and loss	-	-
Net gain at fair value through profit and loss	-	-
Net gain from financial liabilities	-	-

The net income from financial liabilities not at fair value from profit and loss for the period ended 15 September 2020 was \$Nil (year ended 30 June 2020: \$Nil).

Flight Attendants Association of Australia – International Division
Notes to the Financial Statements
For the Financial Period Ended 15 September 2020

12D. Credit Risk

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

	As at 15-Sep-20 \$	As at 30-Jun-20 \$
Financial assets		
Loans and receivables	30,198	13,613
Total financial assets	30,198	13,613
Financial liabilities		
Trade creditors and accruals	52,272	118,280
GST payable	30,305	-
Other payables	16,869	-
Employee provisions	109,751	108,163
Total financial liabilities	209,197	226,443

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 period. 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 Period Ended 15 September 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 – 15 September 2020

	Date of valuation	Level 1 \$	Level 2 \$	Level 3 \$
Assets measured at fair value				
Land and buildings	15-Sep-20	-	3,788,750	-
Total assets measured at fair value		-	3,788,750	-
Liabilities measured at fair value	15-Sep-20			
Total liabilities measured at fair value		-	-	-

Fair value hierarchy – 30 June 2020

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

Period Ended 15-Sep-20 \$	Year Ended 30-Jun-20 \$
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Note 14 Remuneration of Auditors

Value of the services provided

Financial statement audit services	10,000	11,000
Other services	-	-
Total remuneration of auditors	10,000	11,000

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

Flight Attendants Association of Australia – International Division
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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 period ended 15 September 2020 (year ended 30 June 2020: 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 period ended 15 September 2020 (year ended 30 June 2020: 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. The unitary structure became operative subsequent to period-end, with an effective date of 16 September 2020.

There were no other events that occurred after 15 September 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).



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Independent Audit Report to the Members of Flight Attendants Association of Australia – International Division
For the Financial Period Ended 15 September 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 15 September 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period ended 15 September 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 15 September 2020, and its financial performance and its cash flows for the period 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.

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Flight Attendants Association of Australia – International Division
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For the Financial Period Ended 15 September 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.

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Independent Audit Report to the Members of Flight Attendants Association of Australia – International Division
For the Financial Period Ended 15 September 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

SDJA

Simon Joyce

Simon Joyce

Director

5 March 2021

Sydney, New South Wales