6 January 2017

Mr Andrew Staniforth
National Secretary
Flight Attendants' Association of Australia - National Division
20 Ewan Street
Mascot NSW 2020

By e-mail: info@faaa.org.au

Dear Mr Staniforth

Flight Attendants' Association of Australia - National Division
Financial Report for the year ended 30 June 2016 - FR2016/169

I acknowledge receipt of the financial report for the year ended 30 June 2016 for the Flight Attendants' Association of Australia - National Division. The financial report was lodged with the Fair Work Commission on 7 December 2016.

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

Whilst the 2016 report has been filed the following should be addressed in the preparation of the next financial report.

1. Committee of Management Statement

Please ensure that the Committee of Management Statement includes the name and title of the Designated Officer.

2. General Purpose Financial Report (GPFR)

Item 17 of the Reporting Guidelines states that if the activities identified in items 16 have not occurred in the reporting period, a statement to this effect must be included in the notes to the GPFR. I note that no such disclosure has been made for item 16(a) fees incurred as consideration for employers making payroll deductions of membership subscriptions.

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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) 8656 4685 or by email at ken.morgan@fwc.gov.au

Yours sincerely

Ken Morgan
Financial Reporting Advisor
Regulatory Compliance Branch

FLIGHT ATTENDANTS' ASSOCIATION OF AUSTRALIA NATIONAL DIVISION

s.268 *Fair Work (Registered Organisations) Act 2009*

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER[1]

Certificate for the period ended 30 June 2016

I, ANDREW STANIFORTH, being the Secretary of the Flight Attendants' Association of Australia National Division certify:

- that the documents lodged herewith are copies of the full report for the Flight Attendants' Association of Australia National Division (reporting unit) for the period ended 30 June 2016 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 30 November 2016; and

- that the full report was presented to *a* meeting of the committee of management of the reporting unit on 24 November 2016 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009.*

Signature of prescribed designated officer: ....

Name of prescribed designated officer: ANDREW STANIFORTH

Title of prescribed designated officer: Secretary

Dated: 7/12/16 7 December 2016

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[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 - NATIONAL DIVISION

ABN 72 742 734 217

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016

20 Ewan Street, Mascot, NSW 2020
Email: info@faaa.org.au
Ph: (02) 8337 1111
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FAAA
Flight Attendants' Association of Australia National Division

FLIGHT ATTENDANTS' ASSOCIATION OF AUSTRALIA - NATIONAL DIVISION
ABN 72 742 734 217

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This financial report covers the Flight Attendants' Association of Australia - National Division as an individual entity. The financial report is presented in the Australian currency.

It is a registered trade union under the Fair Work (Registered Organisations) Act 2009 and domiciled in Australia. The purpose of the Division is to protect and improve conditions and entitlements for members. Its principle activities are promoting union activities in the aviation sector.

The principal place of business is:
Flight Attendants' Association of Australia - National Division
20 Ewan Street
MASCOT NSW 2020

The financial report was authorised for issue by the Divisional Executive on 24 November 2016.

FLIGHT ATTENDANTS' ASSOCIATION OF AUSTRALIA - NATIONAL DIVISION
ABN 72 742 734 217

OPERATING REPORT

Your Divisional Executive present their report on the Flight Attendants' Association of Australia - National Division (The Division) for the financial year ended 30 June 2016.

Members of committee

The names of the members of Divisional Executive in office at any time during or since the end of the financial year are:

Name	*Position*	
Shane Scanlon	President	
Andrew Staniforth	Secretary	(elected 5 May 2016 and assumed office 30 June 2016)
Jo-Ann Davidson	Secretary	(ceased office 29 June 2016)
Gareth Uren	Assistant Secretary	(elected 5 May 2016 and assumed office 30 June 2016)
Susan Lindberg	Assistant Secretary	(appointed 9 September 2015 and ceased office 29 June 2016)
Adam Tierney	Vice President	(elected 5 May 2016 and assumed office 30 June 2016)
Brett Inman	Vice President	(ceased office 29 June 2016)
Ashley Littlehales	Vice President	(appointed 15 March 2016 and resigned 25 May 2016)
Julia Polgoui	Vice President	(resigned 7 September 2015)

Significant changes in financial affairs

The Division recorded an operating deficit of $144,610 in 2015-16 as compared to a modest operating surplus of $3,775 in 2014-15. The Division's declining financial Membership resulted in 2015-16 Receipts decreasing by a further $251,654 compared to 2014-15. While the Division's overall expenditure in 2015-16 reduced, the net cash outflow from operating activities exceeded cash inflow. The 2015-16 negative cash flow was mainly due to the reduction in financial Members and costs associated with relocating the Division's principal place of business, resulting in a significant change in the Division's financial affairs.

Review of principal activities and results of operations

The principal activities of the Division during the financial year were the protection and improvement of employment conditions for its members. No significant change in the nature of these activities occurred during the year.

A review of the operations of the Division indicate that it continued to engage in its principal activity of representing flight attendants in industrial and operational matters. In pursuing these activities the Division has sought to protect the members through representation of individuals in grievances and disputes. In pursuing such, the Division has initiated and activated legal and industrial action when appropriate.

Union details

The number of employees on a full-time equivalent basis at 30 June 2016 was 7.95 (2015: 7.2).

The number of financial members of the Division, at 30 June 2016 was 1,873 (2015: 2,134).

OPERATING REPORT (CONTINUED)

Right of members to resign

Members may resign from the union in accordance with Rule 33, which reads 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 later; 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 later.

(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 effected 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."

Directorships of Superannuation Fund

To the best of our knowledge and belief, no officers and employees of the Division are superannuation fund trustee(s) or a director of a company that is a superannuation fund trustee.

Signed in accordance with a resolution of the Divisional Executive

Signature of designated officer	
Name of designated officer	Andrew Staniforth
Title of designated officer	Divisional Secretary

Dated 24TH NOVEMBER 2016

FLIGHT ATTENDANTS' ASSOCIATION OF AUSTRALIA - NATIONAL DIVISION
ABN 72 742 734 217

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 $	2015 $
Revenue from continuing operations	4	**1,075,241**	1,300,676
Other income	4	**37,682**	41,516
Expenses			
Administration and other expenses		**(112,450)**	(96,036)
Industrial expenses	6	**(131,633)**	(169,374)
Legal and professional fees	8	**(91,837)**	(89,972)
Rent and occupancy expenses		**(69,202)**	(31,089)
Salaries and related expenses	9	**(852,411)**	(951,946)
		(1,257,533)	(1,338,417)
(Deficit) Surplus before income tax		**(144,610)**	3,775
Income tax expenses		**-**	-
(Deficit) Surplus for the year		**(144,610)**	3,775
Other comprehensive income		**-**	-
Total comprehensive income for the year		**(144,610)**	3,775
Total comprehensive income for the year is attributable to:			
Members of the union		**(144,610)**	3,775

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

BALANCE SHEET
AS AT 30 JUNE 2016

	Notes	2016 $	2015 $
ASSETS			
Current assets			
Cash and cash equivalents	10	**998,736**	1,175,872
Trade and other receivables	11	**35,494**	43,238
Assets classified as held for sale	12	**453,200**	-
Total current assets		**1,487,430**	1,219,110
Non-current assets			
Property, plant and equipment	13	**78,794**	529,418
Total non-current assets		**78,794**	529,418
Total assets		**1,566,224**	1,748,528
LIABILITIES			
Current liabilities			
Trade and other payables	14	**102,017**	144,558
Employee benefit obligations	15	**101,836**	97,080
Borrowings	17	**7,870**	10,889
Total current liabilities		**211,723**	252,527
Non-current liabilities			
Employee benefit obligations	16	**26,936**	15,956
Borrowings	17	**-**	7,870
Total non-current liabilities		**26,936**	23,826
Total liabilities		**238,659**	276,353
Net assets		**1,327,565**	1,472,175
MEMBERS' FUND			
Accumulated surplus	18	**1,327,565**	1,472,175
Total members' fund		**1,327,565**	1,472,175

The above balance sheet should be read in conjunction with the accompanying notes.

FLIGHT ATTENDANTS' ASSOCIATION OF AUSTRALIA - NATIONAL DIVISION
ABN 72 742 734 217

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Accumulated surplus $	Total $
Balance at 1 July 2014	1,468,400	1,468,400
Total comprehensive income for the year	3,775	3,775
Transfer from retained surplus	-	-
Balance at 30 June 2015	1,472,175	1,472,175
Balance at 1 July 2015	**1,472,175**	**1,472,175**
Total comprehensive income for the year	**(144,610)**	**(144,610)**
Transfer from retained surplus	**-**	**-**
Balance at 30 June 2016	**1,327,565**	**1,327,565**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 $	2015 $
Cash flows from operating activities			
Receipts from members		**1,182,879**	1,434,533
Receipts from other reporting entities			
- FAAA International Division		**13,990**	-
Receipts from controlled entities		**-**	-
Sundry receipts		**6,850**	6,878
Payments to suppliers and employees		**(1,332,516)**	(1,422,783)
Payments to other reporting entities			
- FAAA International Division		**(23,833)**	-
Payments to controlled entities		**-**	-
Interest paid		**(1,352)**	(2,361)
Interest received		**30,120**	24,592
Net cash (outflow) inflow from operating activities	24	**(123,862)**	40,859
Cash flows from investing activities			
Payment for property, plant and equipment		**(42,385)**	(2,065)
Net cash (outflow) from investing activities		**(42,385)**	(2,065)
Cash flows from financing activities			
Repayment of equipment loan		**(10,889)**	(9,881)
Net cash (outflow) inflow from financing activities		**(10,889)**	(9,881)
Net (decrease) increase in cash and cash equivalents		**(177,136)**	28,913
Cash and cash equivalents at beginning of financial year		**1,175,872**	1,146,959
Cash and cash equivalents at end of financial year	10(a)	**998,736**	1,175,872

The above statement of cash flows should be read in conjunction with the accompanying notes.

1: Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements include the financial statements for the Flight Attendants' Association of Australia - National Division ("The Division").

(a) Basis of preparation

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* as required for the preparation of a general purpose financial report under Tier 1 - Australian Accounting Standards. For the purpose of preparing the general purpose financial statements, the Division is a not-for-profit entity for the purpose of preparing financial statements.

The financial statements 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.

Statement of Compliance

The financial report complies with Australian Accounting Standards. The Division's principal objective is not the generation of profit. Consequently, were appropriate, the Division has elected to apply options and exemptions with accounting standards that are applicable to non-for-profit entities. As a result this financial report does not comply with International Financial Reporting Standards (IFRS).

New and amended standards adopted by the Division

The Division adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Board (AASB) that are relevant to the operations and effective for the current annual reporting period.

The Division has assessed the impact of other new and amended standards that came into effect for the first time for the annual reporting period commencing 1 July 2015. These standards did not result in changes to Division's accounting policies and had no effect on the amounts reported for current or prior year financial statements.

Early adoption of standards

No accounting standard has been adopted earlier than the application date stated in the standard.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets and liabilities at fair value through profit or loss.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Division's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

1: Summary of significant accounting policies (Continued)

(b) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Division recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Division and specific criteria have been met for each of the Division's activities as described below. The Division bases its estimates on historical results, taking into consideration the type of member, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Division and that it can be reliably measured Revenue is recognised for the major operating activities as follows:

Membership fees and subscriptions
Subscriptions are recognised on an accruals basis.

Interest income
Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Division reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

Other revenue
Other revenue is recognised when the right to receive the revenue has been established.

All revenue is stated net of the amount of Goods and Services Tax (GST).

(c) Taxation

The Division 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).

(d) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

1: Summary of significant accounting policies (Continued)

(e) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired.

The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(f) Investments and other financial assets

Classification
The Division classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting period.

Recognition and derecognition
Regular purchases and sales of investments are recognised on trade-date - the date on which the Division commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Division has transferred substantially all the risks and rewards of ownership. When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss as gains and losses from investment securities.

1: Summary of significant accounting policies (Continued)

(f) Investment in other financial assets (Continued)

Measurement
At initial recognition, the Division 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 that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables and held-to-maturity investments are subsequently carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in profit or loss within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in profit or loss as part of revenue from continuing operations when the Division's right to receive payments is established. Interest income from these financial assets is included in the net gains/ (losses).

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

Impairment
The Division assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

Assets carried at amortised cost
For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

1: Summary of significant accounting policies (Continued)

(f) Investment in other financial assets (Continued)

Assets classified as available-for-sale
If there is objective evidence of impairment for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as available-for-sale increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

(g) Impairment of assets

Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(h) Property, plant and equipment

Each class of property, plant and equipment is carried at historical cost less any accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of items.

Depreciation
The depreciable amount of all fixed assets including buildings are depreciated over their estimated useful lives to the Division commencing from the time the asset is held ready for use.

Class of fixed asset	Depreciation rate	Depreciation basis
Buildings	2.5%	Straight Line
Motor vehicles	18.75%	Diminishing value
Office furniture and equipment	7.5-22.5%	Diminishing value
Computer equipment	27– 66.67%	Diminishing value

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income.

1: Summary of significant accounting policies (Continued)

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the Division prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

(j) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses. Borrowings are classified as current liabilities unless the Division has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(k) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the balance sheet if the Division does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

1: Summary of significant accounting policies (Continued)

(k) Employee benefits (continued)

Termination benefits

Termination benefits are payable when employment is terminated by the Division before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Division recognises termination benefits at the earlier of the following dates: (a) when the Division can no longer withdraw the offer of those benefits; and (b) when the Division recognises costs for a restructuring that is within the scope of AASB 137 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(l) Goods and Service Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from, or payable to the ATO as classified as operating cash flow.

Commitments and contingencies are disclosed inclusive of GST.

(m) Functional and presentation currency

Items included in the financial report are measured using the currency of the primary economic environment in which the Division operates ('the functional currency'). The financial report is presented in Australian dollars, which is the Division's functional and presentation currency.

(n) Comparative figures

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

(o) Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Branch as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease

1: Summary of significant accounting policies (Continued)

(p) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2016 reporting periods and have not been early adopted by the Division. The Division's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 9 *Financial Instruments* (effective from 1 January 2018)

AASB 9 *Financial Instruments* addresses the classification, measurement and derecognition of financial assets and financial liabilities. Since December 2013, it also sets out new rules for hedge accounting. When adopted, the standard will affect the Division's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. There will be no impact on the Division's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Division does not have any such liabilities.

(ii) AASB 15 Revenue from Contracts with customers (effective from 1 January 2018)

The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards. The standard permits a modified retrospective approach for the adoption. Under this approach entities will recognise transitional adjustments in retained earnings on the date of initial application (eg 1 January 2017), ie without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application. There will be no impact on the Division's financial report.

(iii) AASB 16 Leases (effective from 1 January 2019)

AASB 16 will primarily affect the accounting by lessees and will result in the recognition of almost all leases on the balance sheet. The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for almost all lease contracts. The accounting by lessors, however, will not significantly change. The changes under AASB 16 are significant and will have a pervasive impact, particularly for lessees with operating leases.

The Division is yet to undertake a detailed assessment of the impact of AASB 16. However, based on the Division's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2020.

(iv) Sales or contribution of assets between an investor and its associates or joint venture (effective from 1 January 2018)

The amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. They confirm that the accounting depends on whether the contributed assets constitute a business or an asset. There will be no impact on the Division's financial report.

There are no other standards that are not yet effective and that are expected to have a material impact on the Division in the current or future reporting periods and on foreseeable future transactions.

2: Critical Accounting Estimates and Judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Division and that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Division makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. None of the estimates and assumptions are expected to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(b) Critical judgments in applying the Division's accounting policies

The following are the critical judgements that management has made in the process of applying the Division's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Employee entitlements

Management judgements is applies in determining the following key assumptions in the calculation of long service leave at balance date:

- future increase in wages and salaries;
- future on-costs rates; and
- experience of employees departures and period of service.

3: 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 the General Manager of Fair Work Commission:

(1) A member of a reporting unit, or the General Manager of Fair Work Commission, 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).

4: Revenue

	2016 $	2015 $
From continuing operations		
- member subscriptions	**1,075,241**	1,300,676
- capitation fees	**-**	-
- levies (compulsory or voluntary)	**-**	-
	1,075,241	1,300,676
Other income		
- interest	**30,319**	31,656
- grants and donations	**-**	-
- financial support from another reporting unit	**-**	-
- other revenue	**7,363**	9,860
	37,682	41,516

5: Expenses

	2016 $	2015 $
The (deficit) surplus for the year includes the following specific expenses:		
Depreciation of non-current assets		
- buildings	**16,941**	16,942
- office equipment	**572**	701
- furniture & fixtures	**10,377**	2,650
- computer equipment	**8,922**	14,457
	36,812	34,750
Net loss on disposal of non-current assets	**2,997**	-
Penalties – under RO Act or RO Regulations	**-**	-
Commissions to airlines for fee collection	**2,094**	2,179

6: Industrial expenses

		2016 $	2015 $
Affiliation, capitation fees and compulsory levies	a	**29,158**	40,670
Consulting fees		**954**	248
Donations:			
- total paid that were $1,000 or less		**-**	945
- total paid that exceeded $1,000		**-**	-
Grants:			
- total paid that were $1,000 or less		**-**	-
- total paid that exceeded $1,000		**-**	-
Meeting expenses		**13,235**	14,267
Meeting allowances		**5,828**	3,337
Travel and accommodation		**46,891**	56,367
Telephone		**30,691**	39,763
Other industrial expenses		**4,876**	13,777
		131,633	169,374

a. Affiliation, capitation fees and compulsory levies

	2016 $	2015 $
Affiliation fee		
APHEDA	**818**	600
Australian Council of Trade Unions	**-**	5,002
Australian Labor Party	**9,567**	10,629
International Transport Workers Federation	**6,863**	7,591
Union Shopper	**1,143**	613
Unions NSW	**5,308**	5,225
Unions WA	**1,914**	1,939
Victorian Trades Hall Council	**3,545**	3,471
Levies		
ACTU – campaign levy	**-**	5,600
Capitation fees	**-**	-
	29,158	40,670

7: Auditors remuneration

	2016 $	2015 $
During the year the following fees were paid or payable for services provided by the auditor and its related practices:		
Audit of the financial report	**16,000**	16,000
Accounting services	**33,600**	33,600
	49,600	49,600

8: Legal and professional fees

	2016 $	2015 $
Legal fees – litigation	**-**	-
Legal fees – other legal matters	**18,330**	21,946
Other professional fees	**73,507**	68,026
	91,837	89,972

9: Salaries and other expenses

		2016 $	2015 $
Holders of office			
- wages and salaries		**100,347**	86,984
- superannuation		**17,516**	29,330
- leave and other entitlements		**-**	-
- separation and redundancies		**-**	-
- other employee expenses		**100,391**	97,763
		218,254	214,077
Employees other than holders of office			
- wages and salaries		**504,997**	651,613
- superannuation		**73,627**	69,233
- leave and other entitlements		**15,735**	(23,715)
- separation and redundancies		**-**	-
- other employee expenses		**4,600**	6,565
		598,959	703,696
Other employer expenses	**a**	**35,198**	34,173
		852,411	951,946

a Other expenses primarily comprise employee insurance, payroll tax, fringe benefits tax, workcover and contract staff.

10: Current assets – Cash and cash equivalents

	Note	2016 $	2015 $
Cash on hand		**2,000**	1,500
Cash at bank		**107,836**	312,171
Term deposit		**888,900**	862,201
		998,736	1,175,872

(a) Reconciliation to cash at the end of the year

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:

	2016 $	2015 $
Balances as above	**998,736**	1,175,872
Balances per statement of cash flows	**998,736**	1,175,872

11: Current assets – Trade and other receivables

	2016 $	2015 $
Trade receivables	**20,729**	19,394
Other receivables	**3,156**	1,068
Receivables from other reporting units		
- FAAA International Division	**-**	10,360
Prepayments	**11,609**	12,416
	35,494	43,238

Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

12: Current assets – Assets held for sale

	Note	2016 $	2015 $
Land and building	**21**	**453,200**	-

13: Non-current assets – Property, plant and equipment

	2016 $	2015 $
Land and Buildings		
At cost	-	677,669
Less accumulated depreciation	-	(207,528)
Total land and buildings	-	470,141
Plant and equipment		
Office equipment	**8,469**	10,277
At cost	**(6,249)**	(6,282)
Less accumulated depreciation	**2,220**	3,995
Plant and equipment		
Office furniture and fixtures	**119,899**	88,452
At cost	**(54,435)**	(53,231)
Less accumulated depreciation	**65,464**	35,221
Computer equipment		
At cost	**125,954**	135,004
Less accumulated depreciation	**(114,844)**	(114,943)
	11,110	20,061
Total plant and equipment	**78,794**	59,277
Total property, plant and equipment	**78,794**	529,418

(a) Non-current assets pledged as security

None of the non-currents assets are pledged as security.

(b) Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the year:

2015	Land and buildings $	Office equipment $	Computer equipment $	Furniture and fixtures $	Total $
Opening net book amount	487,083	4,696	32,453	37,871	562,103
Additions	-	-	2,065	-	2,065
Depreciation	(16,942)	(701)	(14,457)	(2,650)	(34,750)
Closing net book amount	470,141	3,995	20,061	35,221	529,418

13: Non-current assets – Property, plant and equipment (Continued)

(b) Movements in carrying amounts (Continued)

2016	Land and buildings $	Office equipment $	Computer equipment $	Furniture and fixtures $	Total $
Opening net book amount	470,141	3,995	20,061	35,221	529,418
Additions	-	-	-	42,385	42,385
Disposals	-	(1,203)	(29)	(1,765)	(2,997)
Depreciation	(16,941)	(572)	(8,922)	(10,377)	(36,812)
Assets classified as held for sale	(453,200)	-	-	-	(453,200)
Closing net book amount	-	2,220	11,110	65,464	78,794

14: Current liabilities – Trade and other payables

	2016 $	2015 $
Unsecured		
Trade creditors	**63,758**	51,037
Payables to other reporting units	**-**	-
Consideration to employers for payroll deductions	**-**	-
Legal fee payable - litigation	**3,080**	-
Legal fee payable – other legal matters	**1,540**	20,721
Sundry creditors	**33,639**	72,800
	102,017	144,558

Trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are assumed to be the same as their fair values, due to their short-term nature.

15: Current liabilities – Provisions

	2016 $	2015 $
Employee benefits – holder of office		
Annual leave	**-**	-
Long service leave	**-**	-
Separations and redundancies	**-**	-
Other	**-**	-
	-	-
Employee benefits - employees		
Annual leave	**57,815**	60,136
Long service leave	**44,021**	36,944
Separations and redundancies	**-**	-
Other	**-**	-
	101,836	97,080

16: Non-current liabilities – Provisions

	2016 $	2015 $
Employee benefits – holder of office		
Annual leave	**-**	-
Long service leave	**-**	-
Separations and redundancies	**-**	-
Other	**-**	-
	-	-
Employee benefits - employees		
Annual leave	**-**	-
Long service leave	**26,936**	15,956
Separations and redundancies	**-**	-
Other	**-**	-
	26,936	15,956

17: Borrowings

	2016 $	2015 $
Current – secured liabilities		
Equipment loan	**7,870**	10,889
Non-current - secured liabilities		
Equipment loan	**-**	7,870

(a) Assets pledged as security

The commercial loan of the Division is secured by some of the Division's computer equipment.

(b) Fair value

The far values are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates.

18: Accumulated surplus

	2016 $	2015 $
Movements in the accumulated surplus were as follows:		
Balance 1 July	**1,472,175**	1,468,400
Net (deficit) surplus for the year	**(144,610)**	3,775
Balance 30 June	**1,327,565**	1,472,175

No specific funds or accounts have been operated or monies invested in any assets in respect of any compulsory levies or voluntary contributions.

19: Contingencies

There are no known contingent assets or liabilities at 30 June 2016.

20: Commitments

	2016	2015
	$	$
Operating lease commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payables		
- not later than one year	**9,825**	15,602
- later than one year but not later than five years	**-**	9,825
	9,825	25,427

General description of leasing arrangement:

The leases are related to the rental of office equipment and the provision of IT services.

21: Events occurring after the reporting period

The Fair Work Commission has approved a rule change to abolish the divisions of the Flight Attendants' Association of Australia. In term of this rule change, there is a proposed transition period of four years with both National and International Divisions Councils and Executives merging into one body on the 1 July 2018.

After the balance date, the Division sold its land and building for $1,083,500.

No other matter or circumstance has arisen since the end of the financial year to the date of this report, that has or may significantly affect the activities of the Division, the results of those activities or the state of affairs of the Division in the ensuing or any subsequent financial year.

22: Wage recovery activities

All wage recovery activity has resulted in payments being made directly to members by employers. The Division has not derived any revenue in respect of these activities.

23: Related party transactions

(a)The names of the members of Divisional Executive in office at any time during or since the end of the financial year are:

Name	*Position*	
Shane Scanlon	President	
Andrew Staniforth	Secretary	(elected 5 May 2016 and assumed office 30 June 2016)
Jo-Ann Davidson	Secretary	(ceased office 29 June 2016)
Gareth Uren	Assistant Secretary	(elected 5 May 2016 and assumed office 30 June 2016)
Susan Lindberg	Assistant Secretary	(appointed 9 September 2015 and ceased office 29 June 2016)
Adam Tierney	Vice President	(elected 5 May 2016 and assumed office 30 June 2016)
Brett Inman	Vice President	(ceased office 29 June 2016)
Ashley Littlehales	Vice President	(appointed 15 March 2016 and resigned 25 May 2016)
Julia Polgoui	Vice President	(resigned 7 September 2015)

The names of the members of Divisional Council in office at any time during or since the end of the financial year are:

Name	*Position*	
Shane Scanlon	President	
Andrew Staniforth	Secretary	(elected 5 May 2016 and assumed office 30 June 2016)
Jo-Ann Davidson	Secretary	(ceased office 29 June 2016)
Gareth Uren	Assistant Secretary	(elected 5 May 2016 and assumed office 30 June 2016)
Susan Lindberg	Assistant Secretary	(appointed 9 September 2015 & ceased office 29 June 2016)
Adam Tierney	Vice President	(elected 5 May 2016 and assumed office 30 June 2016)
Brett Inman	Vice President	(ceased office 29 June 2016)
Ashley Littlehales	Vice President	(appointed 15 March 2016 and resigned 25 May 2016)
Julia Polgoui	Vice President	(resigned 7 September 2015)
Carol Locket	WHS National Councillor	(resigned 29 June 2016)
Michelle Bray		(appointed 30 June 2016)
David Brady	Virgin Australia, VARA, Tiger Air Electorate	
Wayne Middleton	Qantas Airways Electorate	(resigned 29 June 2016)
Angela McManus		(appointed 30 June 2016)
Neil Rao		(appointed 30 June 2016)
Sharon Ashton-Ridley	Qantas Domestic Cobham/Express Electorate	
Ash Littlehales	Virgin Australia, VARA, Tiger Air Electorate	(resigned 14 March 2016)
Daniel Groth		(appointed 30 June 2016)
Sandy Axam		(appointed 30 June 2016)
Jan Phillips		(appointed 30 June 2016)
Brad Mills	QantasLink, Network Aviation, Jetstar Electorate	

23: Related party disclosures (Continued)

	2016	2015
(c) Key management personnel remuneration	**$**	**$**
Short-term employee benefits		
Salary (including annual leave taken)	**100,347**	86,984
Annual leave accrued	**-**	-
- other employee expenses	**100,391**	97,763
Total short-term employee benefits	**200,738**	184,747
Post-employment benefits:		
Superannuation	**17,516**	29,330
Total post-employment benefits	**17,516**	29,330
Other long-term benefits:		
Long-service leave	**-**	-
Total other long-term benefits	**-**	-
Termination benefits	**-**	-
	-	-
Total	**218,254**	214,077

(d) There were no loans between the key management personnel or the committee of management and the Division.

(e) There were no transactions between key management personnel or the committee of management and the Division other than those relating to their membership of the Division and reimbursement by the Division in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which is reasonable to expect would have been adopted by parties at arm's length.

(f) Transactions with related parties

The following transactions occurred with related parties:

	2016	2015
Expenses		
Rent paid to FAAA International Division	**21,667**	-

(g) Superannuation contribution

	2016	2015
Contributions to superannuation funds on behalf of employees	**91,143**	98,563

24: Cash flow information

	2016 $	2015 $
Reconciliation of cash flow from operations with surplus (deficit) for the year		
(Deficit) Surplus for the year	**(144,610)**	3,775
Non-cash flows in (deficit) surplus		
Depreciation	**36,812**	34,750
Net loss on disposal of property, plant and equipment	**2,997**	-
Liabilities written back	**-**	(2,698)
Changes in assets and liabilities		
Decrease (Increase) in receivables	**7,744**	(12,139)
(Decrease) Increase in payables	**(42,541)**	40,886
Increase (Decrease) in provisions	**15,736**	(23,715)
Cash flows from operations	**(123,862)**	40,859

25: Other information

(i) Going Concern
The Division's ability to continue as a going concern is not reliant on financial support from another reporting unit.

(ii) Financial Support
No financial support has been provided to another reporting unit to ensure that it continues as a going concern.

(iii) Acquisition of assets and liability under specific sections:

The Division did not acquire any asset or liability during the financial year as a result of:
- an amalgamation under part 2 of Chapter 3, of the RO Act;
- a restructure of the Branches of the organisation;
- a determination by the General Manager under s245(1) of the RO Act;
- a revocation by the General Manager under s249(1) of the RO Act;

26: Capital management

The Division manages its capital to ensure that it will be able to continue as a going concern while maximising the return on investments. The Committee of Management ensure that the overall risk management strategy is in line with this objective.

The capital structure of the Division consists of cash and cash equivalents and members' funds, comprising reserves and retained earnings.

The Committee of Management effectively manages the Division's capital by assessing the Division's financial risk and responding to changes in these risks and in the market. These responses may include the consideration of debts levels. There have been no changes to the strategy adopted by Committee of Management to control capital of the Division since the previous year. No operations of the Division are subject to external imposed capital requirements.

27: Financial risk management

The Division's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Division's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Division. The Division uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, other price risks and aging analysis for credit risk.

Risk management is carried out by management under policies approved by the Committee of Management. The Committee of Management identifies, evaluates and hedges financial risks as part of regular meetings. This identification and analysis includes an analysis of interest rate exposure and the evaluation of strategies in the context of most recent economic conditions.

(a) Market risk
(i) Foreign exchange risk

The Division is not exposed to foreign exchange risk.

(ii) Price risk

The Division is not exposed to commodity price risk and equity securities price.

(iii) Cash flow and fair value interest rate risk

The Division has no borrowings and is therefore not exposed to interest rate risk on liabilities. The Division has investments in a variety of interest-bearing assets which have fixed interest rates and therefore are not subject to interest rate volatility.

(b) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. Cash transactions are limited to high credit quality financial institutions. Currently the investments are held in Australian banks.

The Division has no significant concentrations of credit risk.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

The credit quality of financial assets can be assessed by reference to external credit ratings as follows:

	2016	2015
	$	$
Cash at bank		
AA- Rating	**107,836**	312,171
Deposits at call		
AA- Rating	**888,900**	862,201

27: Financial risk management (Continued)

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close-out market positions.

Maturity profile of financial instruments

The maturity profile of financial assets and liabilities held are detailed below:

2016	Weighted Average Interest rate	Floating Interest rate	1 year or less	1 to 2 years	2 to 5 years	Over 5 years	Non Interest bearing	Total
	%	$	$	$	$	$	$	$
Financial Assets								
Cash on hand		-	-	-	-	-	2,000	2,000
Cash at bank	1	107,836	-	-	-	-	-	107,836
Deposits at bank	2.75	-	888,900	-	-	-	-	888,900
Other receivables		-	-	-	-	-	23,885	23,885
		107,836	888,900	-	-	-	25,885	1,022,621
Financial Liabilities								
Other payables		-	-	-	-	-	102,017	102,017
Borrowings	9.76	-	7,870	-	-	-	-	7,870
		-	7,870	-	-	-	102,017	109,887
Net Financial Assets (Liabilities)		107,836	881,030		-	-	(76,132)	912,734

2015	Weighted Average Interest rate	Floating Interest rate	1 year or less	1 to 2 years	2 to 5 years	Over 5 years	Non Interest bearing	Total
	%	$	$	$	$	$	$	$
Financial Assets								
Cash on hand		-	-	-	-	-	1,500	1,500
Cash at bank	1.2	312,171	-	-	-	-	-	312,171
Deposits at bank	3.2	-	862,201	-	-	-	-	862,201
Other receivables		-	-	-	-	-	30,822	30,822
		312,171	862,201	-	-	-	32,322	1,206,694
Financial Liabilities								
Other payables		-	-	-	-	-	144,558	144,558
Borrowings	9.76	-	10,889	7,870	-	-	-	18,759
		-	10,889	7,870	-	-	144,558	163,317
Net Financial Assets (Liabilities)		312,171	851,312	(7,870)	-	-	(112,236)	1,043,377

28: Fair Value Measurements

(a) Financial assets and liabilities

Management of the Division assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 30 June 2016 was assessed to be insignificant
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Division based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 30 June 2016 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

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

		2016		2015	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets		$	$	$	$
Cash & cash equivalents	(i)	**998,736**	**998,736**	1,175,872	1,175,872
Trade and other receivables	(i)	**23,885**	**23,885**	30,822	30,822
Total financial assets		**1,022,621**	**1,022,621**	1,206,694	1,206,694
Financial liabilities					
Trade and other payables	(i)	**102,017**	**102,017**	144,558	144,558
Borrowings		**7,870**	**7,870**	18,759	18,759
Total financial liabilities		**109,887**	**109,887**	163,317	163,317

(i) Cash on hand, accounts receivable and other debtors, and accounts payable and other payables are short-term instruments in nature whose carrying amount is equivalent to fair value. Accounts payable and other payables exclude amounts relating to the provision for annual leave, which is outside the scope of AASB 139.

28: Fair Value Measurements (Continued)

(b) Fair value hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categorises fair value measurements into one of three possible levels based on the lowest level that a significant input can be categorised into. The levels are outlined below:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the Division can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair value of assets and liabilities that are not traded in an active market is determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

– *Market approach:* uses prices and other relevant information generated by market transactions involving identical or similar assets or liabilities.

– *Income approach:* converts estimated future cash flows or income and expenses into a single current (ie discounted) value.

– *Cost approach:* reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Division gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data are not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following table shows the Levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis at 30 June 2016 and 30 June 2015:

Financial Assets	**Level 1**	**Level 2**	**Level 3**
	$	**$**	**$**
30 June 2016			
Assets at fair value	-	-	-
Liabilities at fair value	-	-	-
- borrowing	-	-	**7,870**
Net fair value	-	-	**7,870**
30 June 2015			
Assets at fair value	-	-	-
Liabilities at fair value	-	-	-
- borrowing	-	-	**18,759**
Net fair value	-	-	**18,759**

28: Fair Value Measurements (Continued)

(b) Fair value hierarchy (Continued)

There were no transfers between Levels 1, 2 and 3 for assets measured at fair value on a recurring basis during the reporting period (2015: no transfers).

(c) Disclosed fair value measurements

The following assets and liabilities are not measured at fair value in the balance sheet but their fair values are disclosed in the notes:

– Accounts receivable and other debtors;
- fixed interest securities; and
- accounts payable and other payables

There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.

29: Disclosure Requirements Under the Rules

In terms of the Rules, the Divisional Executive is required provided additional disclosures.

(a) *Schedule 1 (3) – the five highest paid officers of the Union are:*

Name of officer	Division	Salary	Union Leave Days *	Superannuation	Total
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]		[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]		[redacted]	[redacted]	[redacted]	[redacted]

(b) *Schedule 1 (4) – the two highest paid officers of the each Division are:*

Name of officer	Division	Salary	Union Leave Days *	Superannuation	Total
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]		[redacted]	[redacted]	[redacted]	[redacted]
[redacted]		[redacted]	[redacted]	[redacted]	[redacted]

* - these were paid by an external party.
** - includes remuneration for position of Industrial Assist Officer

(c) *Schedule 1 (5) – Union Officers' Material Personal Interests*

None of the Union Officers have disclosed any material personal interests in a matter that the officer has or acquires; or a relative of the officer has or acquires; that relates to the affairs of the Union.

(d) *Schedule 1 (6) – Divisional Officers' Material Personal Interests*

None of the Divisional Officers have disclosed any material personal interests in a matter that the officer has or acquires; or a relative of the officer has or acquires; that relates to the affairs of the Division.

(e) *Schedule 1(7) – Payments to declared person or body of the Union*

No payments were made by the Division to a declared person or body of the Union.

(f) *Schedule 1(8) – Payments to declared person or body of the Division*

Other than disclosed in the related party note, no payments were made by the Division to a declared person or body of the Division.

FLIGHT ATTENDANTS' ASSOCIATION OF AUSTRALIA - NATIONAL DIVISION
ABN 72 742 734 217

COMMITTEE OF MANAGEMENT STATEMENT

On 24 NOVEMBER 2016 the Divisional Executive of the Flight Attendants' Association of Australia - National Division passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2016:

The Divisional Executive declares that in its opinion;

1. the financial statements and notes comply with Australian Accounting Standards;
2. the financial statements and notes comply with the reporting guidelines of the General Manager;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Division for the financial year to which they relate;
4. there are reasonable grounds to believe that the Division will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the GPFR relates and since the end of that year:
   a. meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
   b. 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
   c. the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
   d. where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
   e. Where information has been sought in any request by a member of the reporting unit or the General Manager duly made under section 272 of the RO Act has been provided to the members or the General Manager; and
   f. 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.
6. No revenue has been derived from undertaking recovery of wages activity during the reporting period

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

Signature of designated officer:

Name and title of designated officer:

Dated: 24TH NOVEMBER 2016

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FLIGHT ATTENDANTS' ASSOCIATION OF AUSTRALIA - NATIONAL DIVISION

Report on the financial report

We have audited the accompanying financial report of Flight Attendants' Association of Australia - National Division, which comprises the balance sheet as at 30 June 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that dates, a summary of significant accounting policies, other explanatory notes and the Statement by the Committee of Management.

Committee of Management 's responsibility for the financial report

The Committee of Management is responsible for the preparation of the financial report that give a true and fair view in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009, and for such internal control as the Committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Division's preparation of the financial report that gives a true and fair view 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 Division's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by the Committee of Management.

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

BGL PARTNERS
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FLIGHT ATTENDANTS' ASSOCIATION OF AUSTRALIA - NATIONAL DIVISION (Continued)

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Opinion

In our opinion:

(1) the general purpose financial report of Flight Attendants' Association of Australia - National Division presents fairly, in all material respects, the financial position of Flight Attendants' Association of Australia - National Division as at 30 June 2016 and the results of its operations, its changes in equity and cash flows for the year then ended, in accordance with any of the following that apply to the Division:

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*.

(2) the Committee of Management's use of the going concern basis of accounting in the preparation of the Division's financial statements is appropriate

BGL Partners

BGL Partners
Chartered Accountants

JHinds

I. A. Hinds - C.A. - Partner
Registered auditor with ASIC No: 56814
Chartered Accountants Australia and New Zealand
Membership number: 28696

24 November 2016
Melbourne

CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND