



Australian Government
Australian Industrial Registry

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Mr M Mijatov
Divisional Secretary
International Division
Flight Attendants' Association of Australia
20 Ewan Street
Mascot NSW 2020

Attn: Ms S Bodnar

Dear Mr Mijatov

Re: Financial Documents for year ended 31 March 2005 - FR2005/530
Schedule 1B of the *Workplace Relations Act 1996* (the RAO Schedule)

I have received the financial documents of the Flight Attendants' Association of Australia (International Division) for the financial year ended 31 March 2005. The documents were lodged in the Industrial Registry on 28 October 2005.

The documents have been filed.

Yours sincerely

A handwritten signature in black ink, appearing to read 'A O'Brien', with a long horizontal stroke extending to the right.

Andrew O'Brien
Statutory Services Branch

4 November 2005

FR 2005/530



FLIGHT ATTENDANTS ASSOCIATION OF AUSTRALIA
20 Ewan Street, Mascot, NSW, 2020. PH: (02) 83371111. Fax (02) 83371122
Email: info@faaa.net

27 October 2005

The Registrar
Australian Industrial Relations Commission
Level 8 Terrace Towers
80 William Street
EAST SYDNEY NSW 2011

Dear Registrar

Enclosed are our Audited Financial Reports as per s268 of the RAO schedule.

Any queries please do not hesitate to contact me and also notice our change of address,

Regards

Sharon Bodnar
Administrator
Flight Attendants' Association of Australia - International Division
20 Ewan Street
Mascot NSW 2020
Tel +612 8337 1104
Fax +612 8337 1122
Internet: <http://www.faaa.net>
Email: sharon@faaa.net



DESIGNATED OFFICER'S CERTIFICATE

I, Michael Mijatov, being the secretary of the Flight Attendants' Association of Australia International Division certify:

1. that the documents lodged herewith are copies of the full report referred to in s268 of the RAO schedule; and
2. that the full report was provided to members on *2/9/05*; and
3. that the full report was presented to *The Executive* of the Division on *13/10/05* in accordance with s266 of the RAO schedule;

M Mijatov 27/10/05
.....
MICHAEL MIJATOV

COPY



**GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2005
TOGETHER WITH THE REPORT OF THE AUDITORS**

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**FLIGHT ATTENDANTS' ASSOCIATION OF AUSTRALIA
INTERNATIONAL DIVISION**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2005**

	2005	2004
	\$	\$
INCOME		
Membership fees	1,757,193	1,351,503
Advertising	7,109	11,480
Interest received	35,413	32,752
Leave Bank levy	152,390	187,021
Workcover grant	27,573	69,771
TOTAL INCOME	<u>1,979,678</u>	<u>1,652,527</u>
LESS: EXPENSES		
Depreciation		
Computers	10,171	15,716
Equipment	2,067	1,806
Furniture and Fittings	1,009	980
	<u>13,247</u>	<u>18,502</u>
Employee Expenses		
Salaries of officials	207,874	223,114
Salaries of employees	320,423	313,438
Increase/(decrease) in provn for annual leave	1,303	(2,630)
Increase/(decrease) in provn for LSL	5,253	(693)
Superannuation	54,823	58,004
Leave Bank Expenses	210,069	-
Fringe benefits tax	11,144	4,497
Recruitment	-	4,222
Temporary Staff	1,009	2,069
	<u>811,898</u>	<u>602,021</u>
Other Expenses		
Accountancy	2,800	2,924
Affiliation Fees	27,254	27,733
Audit fees	5,500	9,500
Bank charges	20,648	21,165
Computer and network	57,342	70,177
Conferences	1,664	6,244
Councillors	46,342	51,960
Electricity	3,397	2,478
General industrial expenses	52,228	85,906
Insurance	22,361	19,566
Interest on loan	27,126	-
Legal fees	34,270	47,276
Loss on disposal of Plant and Equipment	-	3,840

The accompanying notes form part of these financial statements.

**FLIGHT ATTENDANTS' ASSOCIATION OF AUSTRALIA
INTERNATIONAL DIVISION**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2005**

CONTINUED	2005	2004
	\$	\$
Postage	13,301	14,072
Printing and distribution of Journal	14,586	58,991
Printing and stationery	47,558	48,650
Rent	106,874	78,240
Telephone	48,281	71,449
Travel	49,973	48,898
Workcover Grant expended	27,573	69,771
	<u>609,078</u>	<u>738,840</u>
TOTAL EXPENSES	<u>1,434,223</u>	<u>1,359,363</u>
OPERATING SURPLUS FOR THE YEAR	<u>545,455</u>	<u>293,164</u>

The accompanying notes form part of these financial statements.

**FLIGHT ATTENDANTS' ASSOCIATION OF AUSTRALIA
INTERNATIONAL DIVISION**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2005**

	Note	2005 \$	2004 \$
CURRENT ASSETS			
Cash at Bank and on hand	3	1,253,464	1,026,217
Sundry debtors		11,762	14,274
TOTAL CURRENT ASSETS		<u>1,265,226</u>	<u>1,040,491</u>
NON CURRENT ASSETS			
Building		883,224	-
Plant and equipment	4	42,841	40,889
TOTAL NON CURRENT ASSETS		<u>926,065</u>	<u>40,889</u>
TOTAL ASSETS		<u>2,191,291</u>	<u>1,081,380</u>
CURRENT LIABILITIES			
Accounts payable and accrued expenses		77,198	87,104
Provisions	5	70,252	63,696
Unexpended Workcover Grant		2,355	12,482
TOTAL CURRENT LIABILITIES		<u>149,805</u>	<u>163,282</u>
NON CURRENT LIABILITY			
Building loan		577,933	-
TOTAL NON CURRENT LIABILITY		<u>577,933</u>	<u>-</u>
TOTAL LIABILITIES		<u>727,738</u>	<u>163,282</u>
NET ASSETS		<u>1,463,553</u>	<u>918,098</u>
MEMBERS' FUNDS			
Accumulated surpluses at beginning of year		918,098	624,934
Surplus for the year		545,455	293,164
MEMBERS FUNDS AT END OF YEAR		<u>1,463,553</u>	<u>918,098</u>

The accompanying notes form part of these financial statements.

**FLIGHT ATTENDANTS' ASSOCIATION OF AUSTRALIA
INTERNATIONAL DIVISION**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2005**

	Note	2005 \$	2004 \$
Cash Flow from operating activities			
Membership fees		1,757,127	1,351,503
Leave Bank Levy		152,390	187,021
Payments to suppliers and employees		(1,431,941)	(1,349,290)
Interest received		35,413	32,202
Sundry Income		34,748	82,671
Cash provided by operating activities	6	<u>547,737</u>	<u>304,107</u>
 Cash Flow from investing activities			
Payments for Buildings, Plant and Equipment		<u>(898,423)</u>	<u>(10,817)</u>
 Proceeds from borrowings			
Building loan		<u>577,933</u>	-
Net increase in Cash		227,247	293,290
Add: Cash at beginning of Year		1,026,217	732,927
Cash at end of Year	3	<u><u>1,253,464</u></u>	<u><u>1,026,217</u></u>

The accompanying notes form part of these financial statements.

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH
2005**

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

The financial report has been prepared in accordance with applicable Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and the Workplace Relations Act 1996. The financial report has also been prepared on the basis of historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the Association in the preparation of the financial report.

(a) Plant and Equipment

Plant and equipment acquired on restructuring at 31 March 2000 has been accounted for at an independent expert valuation. Additions since have been brought to account at cost. Depreciation is calculated on the straight-line basis in order to write the assets off over their estimated useful lives to the Association.

(b) Employee Entitlements

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries and annual leave, which will be settled after one year, have been measured at their nominal amount. The Long Service Leave entitlements have been measured by reference to periods of service and current salary rates as it is considered that this results in an amount not materially different to that achieved by discounting future cash flows. Contributions are made by the Division to employee superannuation funds and the expense is charged when incurred.

(c) Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in deposits with banks or financial institutions.

(d) Income Tax Expense

No provision for income tax is necessary as Industrial Trade Unions are exempt from income tax under Section 50 - 15 of the Income Tax Assessment Act 1997.

(e) Membership Fees

Membership Fees are accounted for on a cash basis.

**FLIGHT ATTENDANTS' ASSOCIATION OF AUSTRALIA
INTERNATIONAL DIVISION**

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH
2005 (continued)**

NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, the attention of the members is drawn to the provisions of subsections (1), (2) and (3) of Section 274, which read as follows:

- (1) A member of an organisation, or Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application under subsection (1) by a member of the organisation, or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

	2005 \$	2004 \$
NOTE 3: CASH		
Cash on hand	4,000	4,000
Cash at bank	668,982	188,805
Cash at QSCU	335,893	367,780
Cash on deposit at QSCU	<u>244,589</u>	<u>465,632</u>
	<u>1,253,464</u>	<u>1,026,217</u>

NOTE 4: FIXED ASSETS

Asset	Valuation or cost	Dep'n	2005 \$		2004 \$	
			Written down value	Valuation or cost	Dep'n	Written down value
Computers	64,707	49,123	15,584	62,864	48,995	13,869
Furniture & Fittings	26,189	10,899	15,290	25,480	9,890	15,590
Office Equipment	<u>20,667</u>	<u>8,700</u>	<u>11,967</u>	<u>18,063</u>	<u>6,633</u>	<u>11,430</u>
Total	<u>111,563</u>	<u>68,722</u>	<u>42,841</u>	<u>106,407</u>	<u>65,518</u>	<u>40,889</u>

	2005 \$	2004 \$
NOTE 5: PROVISIONS		
Annual Leave provision	35,880	34,577
Long Service Leave provision	<u>34,372</u>	<u>29,119</u>
	<u>70,252</u>	<u>63,696</u>

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH
2005 (continued)**

	2005	2004
	\$	\$
NOTE 6: RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH OPERATING SURPLUS		
Operating Surplus	545,455	293,164
Add back: Non Cash Flows in Operating Surplus		
Depreciation	13,247	18,502
Loss (Gain) on disposal of Plant and Equipment	-	3,840
Increase/(decrease) in Provn for Employee Entitlements	6,556	(3,323)
Changes in Assets and Liabilities		
(Increase)/Decrease in Sundry Debtors	2,512	(6,327)
(Decrease) in Sundry Creditors	<u>(20,033)</u>	<u>(1,749)</u>
Net Cash provided by (used in) Operating Activities	<u>547,737</u>	<u>304,107</u>

NOTE 7: POST BALANCE DATE EVENTS

As at the date of signing of this report, approximately \$400,000 has been committed for upgrading and renovations to the Division's building at 20 Ewen Street Mascot, which was purchased in August 2004. Of this, approximately \$70,000 has already been spent. It is expected that the balance will come from the Division's own internal funds and no additional borrowing is anticipated.

OPERATING REPORT

Principal activities

The 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 agreements were negotiated with Qantas Airways and Australian Airlines and many members were assisted at disciplinary hearings

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

Manner of resignation

Members may resign from the Division in accordance with Rules 36 and 37 which read as follows:

36 - 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.

37 - 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

The number of persons who were, at 31 March 2005, recorded on the Register of Members of the Division was 3,675.


Number of employees

The number of persons who were, at 31 March 2005, employees of the Division was 4.

Members of Divisional Council

The persons who held office during the year ended 31 March 2005, are:

- Michael Mijatov (Secretary)
- Andrew Smedley (Assistant Secretary)
- Steven Reed (President)
- Vanessa Dunn (Vice President)
- Lee Lam
- John Forrester
- Scott Williams
- Mark Agar
- Yvette Childs
- Tony Brady
- Grant Ormerod
- William Higgins
- David Horsfall
- Wesley Jones
- Nicholas Kenny
- Teri O'Toole
- Dennis Quinn
- Paul Saliba
- Scott Sanderson


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MICHAEL MIJATOV
26 August 2005

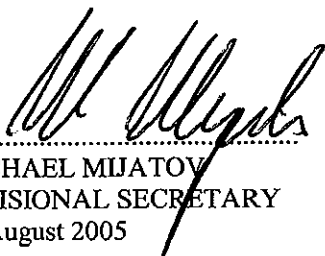
DIVISIONAL EXECUTIVE'S STATEMENT

At a meeting held on 18 August 2005, the Divisional Executive of the Flight Attendants' Association of Australia International Division passed the following resolution in relation to the general purpose financial report (GPFR) for the financial year ended 31 March 2005.

The Divisional Executive of the Flight Attendants' Association of Australia International Division declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) 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 ended 31 March 2005.
- (d) there are reasonable grounds to believe that the Division will be able to pay its debts as and when they become due and payable:
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Division were held in accordance with the rules of the Division; and
 - (ii) the financial affairs of the Division have been managed in accordance with the rules of the Division;
 - (iii) the financial affairs of the Division have been kept and maintained in accordance with the RAO schedule and the RAO Regulations; and
 - (iv) there have been no instances where records of the Division or other documents [not being documents containing information made available to a member of the Division under Sub-Section 274 [2] of the Workplace Relations Act, 1996], or copies of these records or documents, or copies of the rules of the Division, have not been furnished, or made available to members in accordance with the requirements of the Workplace Relations Act, 1996, the Regulations thereto, or the rules of the Division; and
 - (v) no orders have been made by the Commission under section 273 of the RAO Schedule for inspection of the Division's financial records.

For the Divisional Executive of the Flight Attendants' Association of Australia International Division.



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MICHAEL MIJATOV
DIVISIONAL SECRETARY
18 August 2005

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF THE FLIGHT ATTENDANTS' ASSOCIATION OF
AUSTRALIA INTERNATIONAL DIVISION**

SCOPE

We have audited the financial report of the Flight Attendants' Association of Australia International Division, for the year ended 31 March 2005 as set out on pages 1 to 9. The Division's Executive and Accounting Officer are responsible for the preparation and presentation of the financial report and the information it contains. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Division.

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

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

REPORT

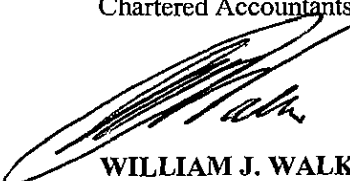
We have received all the information and explanations required for the purposes of our audit.

In our opinion:

- [i] There were kept by the Division in respect of the year under review, satisfactory records detailing the sources and nature of income of the Division [including income from members] and the nature and purposes of expenditure, and
- [ii] The attached financial report including the Certificates of the Divisional Executive and the Accounting Officer is prepared in accordance with Section 273 of the Workplace Relations Act, 1996. The financial report has been prepared from the accounting records of the Division and is properly drawn up so as to give a true and fair view of:
 - [a] the financial position of the Division as at 31 March 2005; and
 - [b] the financial performance of the Division for the year ended on that date;

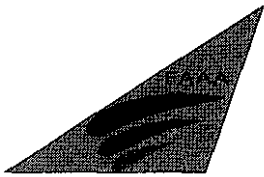
and is in accordance with Australian Accounting Standards and other mandatory professional reporting requirements in Australia.

CHARTER GROUP
Chartered Accountants



WILLIAM J. WALKER
Registered Company Auditor
Level 8, 225 Clarence Street
SYDNEY NSW 2000

26 August, 2005



FLIGHT ATTENDANTS ASSOCIATION OF AUSTRALIA

4th Floor, 388-390 Sussex Street, Sydney NSW 2000, Ph: (02) 9267 2533, Fax: (02) 9267 9663
Email: info@faaa.net

17 August 2005

Michael Mijatov
Secretary, International Division
Flight Attendants' Association of Australia

Accounts for the year ended 31-3-2005

Dear Michael,

I have prepared the Division's financial accounts for the year ended 31-3-2005 together with schedules supporting each figure in the accounts.

The accounts and schedules have been audited by Mr Arthur Hurwitz of Charter Group. He has confirmed that, after the Divisional Executive passes the resolution on page 11 of the attached document, Charter Group will be in a position to sign an unqualified audit opinion. You will also need to sign the Operating Report on page 10.

When the signed audit opinion is received, the Full Report must be placed on the Division's website and the members must be notified that the Report is available.

After the Full Report has been available for not less than 21 days, it must be presented to a second meeting. The Industrial Registrar's requirements for the second meeting are as follows:-

The Second Meeting – If it is a General Meeting of Members

After providing the full report to members it must be presented to a general meeting of members. For simplicity this is referred to as the *second meeting*.

Your reporting unit must always allow a minimum of 21 days for members to receive the full report before presenting it to a general meeting of members (s265(5)). The purpose of the interval and the second meeting is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

If the rules of the organisation permit a general meeting to be a series of meetings held at different locations, the full report may be presented to such a **series** of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series (see s266(2)).

The Second Meeting – if it is a Committee of Management Meeting

If the rules of your organisation contain a provision that allows up to 5% of members to demand a general meeting to be held consider the report (see s266(3)), it is permissible to present the report directly to a Committee of Management meeting.

You must then lodge a copy of the full report in the Industrial Registry within 14 days of the second meeting. This can be done electronically. (see eFiling Tab at www.airc.gov.au).

You must certify that the full report is a copy of the one provided to members and presented to the second meeting and provide the date of the meeting. A suitable certificate is on the last page of the documentation for tomorrow's meeting.

Yours sincerely

Rene Herbert
Accounting Officer