



FAIR WORK
AUSTRALIA

25 January 2012

Mr Michael Mijatov
Secretary
Flight Attendants' Association of Australia - International Division

email: sharon@faaa.net

Dear Mr Mijatov

Re: Financial Report for the Flight Attendants' Association of Australia - International Division for year ended 30 June 2011 – FR2011/2762

I acknowledge receipt of the revised designated officer's certificate, Audit Report and email regarding capitation fees in response to correspondence of Fair Work Australia (FWA) dated 11 January 2012 for the financial report of the Flight Attendants' Association of Australia - International Division (the Division) for the year ended 30 June 2011. The documentation was lodged with FWA on 13, 17 and 18 January 2012 respectively.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

General purpose financial report to be prepared on accrual basis

[Section 252](#) of the *Fair Work (Registered Organisations) Act 2009* (the Act) places obligations upon organisations to *keep* financial records. Under section 252(4) an organisation may *keep* the financial records for its membership subscriptions on a cash basis.

This is distinct from the obligation under [section 253](#) to *prepare* a general purpose financial report (GPFR). Section 253 requires that '...a reporting unit must cause a general purpose financial report to be *prepared*, in accordance with the Australian Accounting Standards, from the financial records kept under subsection 252(1) in relation to the financial year...'. Please note that paragraph 27 of Australian Accounting Standard 101 states that 'an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting'.

Note 1(f) to the financial statements discloses that membership fees are accounted for on a cash basis. In future membership fees should be accounted for on an accrual basis, as required by section 253 of the Act and the relevant Australian Accounting Standard (AASB 101(27)). It is further noted that this will result in a change of accounting policy that will need to be disclosed in accordance with AASB 108 (Accounting Policies, Changes in Accounting Estimates and Errors). You may need to discuss this with your auditor.

Disclosure of provisions for office holders and other employees

The General Manager's Reporting Guidelines require either the balance sheet or the notes to disclose any liability for employee benefits in respect of office holders and other employees (items 14(c) and 14 (d)). Note 5 discloses these provisions but does not distinguish between provisions for office holders and other employees. In future years please ensure that provisions for office holders and other employees are disclosed separately.

Notes to Financial Reports

Notice under section 272(5) of the Act

As you are aware the notes to the General Purpose Financial Report are required to include a notice drawing attention to the fact that information prescribed by the Regulations is available to members on request. Note 2 to the financial statements reproduces the wording from outdated legislation. Instead the wording should read as follows:

- (1) A member of a reporting unit, or the General Manager, 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).

Please ensure that future notes contain this extract of the Act word for word.

Distribution of financial documents to members

Section 265(5)(b) of the Act requires that where the financial documents are to be presented to a meeting of the Committee of Management of the Division they are to be distributed to members within 5 months starting at the end of the financial year (November 2011). In this instance the financial documents were distributed to members on 16 December 2011. Could the Division ensure that in future years where the financial documents are referred to a meeting of the Committee of Management that they are distributed to members as required by section 265(5)(b).

Old legislative references

Reference to the 'Industrial Registrar', 'RAO Schedule', 'RAO Regulations', 'Section 274[2] of the Workplace Relations Act 1996' where appearing in the Committee of Management statement should properly refer to the 'General Manager, Fair Work Australia', 'Fair Work (Registered Organisations) Act 2009', 'Fair Work (Registered Organisations) Regulations 2009' and 'section 272 of the Fair Work (Registered Organisations) Act 2009' respectively.

Also, reference to the 'Workplace Relations Act 1996' appearing in note 1 of the notes to the financial statements and 'Schedule 1 of the Workplace Relations Act 1996' where appearing in the Audit Report should refer to the 'Fair Work (Registered Organisations) Act 2009'.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely



Kevin Donnellan

Organisations, Research and Advice

Fair Work Australia

Email: kevin.donnellan@fwa.gov.au

cc. Mr William J Walker, Charter Group

email: cityadvice@chartergroup.com.au

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

Report of the Financial Report

We have audited the accompanying financial report of the Flight Attendants' Association of Australia International Division, which comprises the balance sheet as at 30 June 2011 and the income statement and cash flow statement for the year ended 30 June 2011, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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. These Auditing 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 entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

In our opinion:

The general purpose financial report of the Flight Attendants' Association of Australia International Division is presented fairly in accordance with the applicable Australian Accounting Standards and

the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2011 and of its performance and its cash flows for the year ended on that date; and

- ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996.

CHARTER GROUP
Chartered Accountants



WILLIAM J. WALKER
Institute of Chartered Accountants No. 72337
Registered Company Auditor No. 1111
Level 34, 50 Bridge Street
SYDNEY NSW 2000
12 January 2012

From: [Michael Mijatov](#)
To: [DONNELLAN, Kevin](#)
Cc: [Jo Ann Davidson](#); [Sharon Bodnar](#)
Subject: Re: FR2011/2762 - Financial year ended 30 June 2011 - Flight Attendants' Association of Australia - International Division
Date: Tuesday, 17 January 2012 11:59:31 AM

Hi Kevin,

Further to our phone discussion earlier this morning regarding your letter to us on 11 January, 2012 I wish to give you the following information in relation to Capitation fees.

Rule 6 (1) (xii) empowers the Federal Council of the FAAA to set capitation fees. However, neither the International Division nor the Domestic/Regional Division have acted through the Federal Council to impose such Capitation fees, nor do we have any intention to do so. It is important to note that the Rules do not require Capitation fees to be set by Federal Council.

In 2000 the FAAA decided to "divisionalise" our structure from where industrial and financial powers resided in the Federal Council, to where such powers were given to the respective Divisional bodies. Since that time all finances are exclusively controlled by the respective Divisional Councils and no capitation fees have been set by the Federal Council.

We used to have a Federal Cheque account but even that was closed several years ago and hence the FAAA each year has sought a Section 271 exemption from the financial reporting obligations for the FAAA . Each Division of the FAAA separately lodges its financial reports.

I hope this clarifies the situation regarding Capitation fees.

Regards

Michael Mijatov

Secretary - International Division
Flight Attendants Association of Australia
20 Ewan Street
MASCOT NSW 2020
Tel:+61 2 8337 1111 Fax:+61 2 8337 1122
Email: michaelm@faaa.net
Web: www.faaa.net

From: "DONNELLAN, Kevin" <Kevin.Donnellan@fwa.gov.au>
Date: Wed, 11 Jan 2012 06:09:53 +0000
To: "sharon@faaa.net" <sharon@faaa.net>
Cc: MICHAEL MIJATOV <michaelm@faaa.net>
Subject: FR2011/2762 - Financial year ended 30 June 2011 - Flight Attendants' Association of Australia - International Division

Dear Michael, attached is correspondence in relation to the above matter.

Regards

KEVIN DONNELLAN
Tribunal Services and Organisations

Fair Work Australia
Tel: 03 8661 7764
Fax: 03 9655 0410
kevin.donnellan@fwa.gov.au

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GPO Box 1994, Melbourne Victoria 3001

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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 presented to the Committee of Management meeting on 9 December 2011; and
2. that the full report be provided to members on 16 December 2011.


.....
MICHAEL MIJATOV
12 January 2012



FAIR WORK
AUSTRALIA

11 January 2012

Mr Michael Mijatov
Secretary
Flight Attendants' Association of Australia - International Division

email: sharon@faaa.net

Dear Mr Mijatov

Re: Financial Report for the Flight Attendants' Association of Australia - International Division for year ended 30 June 2011 – FR2011/2762

I acknowledge receipt of the financial report and statement of loans, grants and donations for the Flight Attendants' Association of Australia - International Division (the Division) for the year ended 30 June 2011. The report and statement were lodged with Fair Work Australia (FWA) on 14 December 2011.

The financial report has not been filed.

The following matters require your attention before any action can be taken to file the above report.

Audit Report

Auditor's Opinion

The Audit Report contained the following opinion:

'In our opinion:

The general purpose financial report of the Flight Attendants' Association of Australia International Division in accordance with the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996 including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2011 and of its performance and its cash flows for the year ended on that date; and
- ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996.'

The term 'true and fair view' was used in the superseded legislation. Subsection 257(5) of the Fair Work (Registered Organisations) Act 2009 (the Act) sets out the matters upon which an auditor is required to make an opinion. In particular an opinion is required on whether the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and other requirements of the Act. The following wording in the auditor's opinion would satisfy the requirements:

'In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.'

Could the Division lodge with FWA a revised Audit Report.

Designated Officer's Certificate

The Designated Officer's certificate dated 9 December 2011 indicates in item 2. 'that the full report be provided to members on 16 December 2011'. Section 268(c) of the Act states that the designated officer's certificate records that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with section 266. Could the Division lodge with FWA, a revised designated officer's certificate that post-dates the distribution of the report to members.

Capitation fees

I note that rule 6(1)(ii) of the Association's rules enables the Federal Council to set a capitation fee and rule 25(a)(i) provides that the federal funds consists of, among other things, capitation fees. Item 11(b) of the Report Guidelines of the General Manager requires capitation fees to be disclosed either in the Statement of Comprehensive Income or in the notes to financial statements. I cannot locate any disclosures regarding payment of capitation fees from the Division to the federal fund. I therefore seek clarification from the Division regarding the absence of such disclosure.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kevin Donnellan', with a long horizontal flourish extending to the right.

Kevin Donnellan

Organisations, Research and Advice

Fair Work Australia

Email: kevin.donnellan@fwa.gov.au

**FLIGHT ATTENDANTS ASSOCIATION OF AUSTRALIA
INTERNATIONAL DIVISION
ABN: 57 138 257 906**

**GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

**GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011
TOGETHER WITH THE REPORT OF THE AUDITORS**

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

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011	2010
		\$	\$
INCOME			
Advertising		4,700	4,900
Insurance Monies Received		29,645	
Interest received		258,093	229,287
Membership fees		1,645,860	1,645,769
Workcover Grant		12,099	
TOTAL INCOME		<u>1,950,397</u>	<u>1,879,956</u>
LESS: EXPENSES			
Depreciation			
Building Improvements		19,985	19,928
Computers		14,441	12,898
Equipment		3,071	11,244
Furniture and Fittings		2,711	2,673
		<u>40,208</u>	<u>46,743</u>
Employee Expenses			
Salaries of officials		148,102	130,363
Salaries of employees		394,446	346,711
Increase/(decrease) in provn for annual leave		(3,846)	11,310
Increase/(decrease) in provn for LSL		538	9,794
Superannuation		47,182	41,480
Leave Bank expenses		136,485	142,758
Recruitment		0	2,236
Staff Training & Amenities		9,668	6,338
		<u>732,575</u>	<u>690,990</u>
Other Expenses			
Affiliation fees		27,842	23,466
Auditing fees		8,200	8,200
Bank charges and merchant fees		20,192	22,455
Building expenses		24,259	23,606
Computers and networks maintenance		83,374	108,925
Consultant fees		31,374	14,993
Courier		379	176
Donations		4,545	5,545

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

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011
CONTINUED**

	2011	2010
	\$	\$
Electricity	10,511	9,260
General expenses	17,172	10,326
Insurance	16,602	1,083
Interest expense	1,333	6,455
Legal expenses	0	8,039
Postage	1,245	1,835
Printing and stationery	20,565	28,465
Repairs & Maintenance	539	0
Subscriptions	13,777	10,953
Telephone	39,950	36,737
Travel and accommodation	39,688	27,170
	<u>361,547</u>	<u>347,689</u>
TOTAL EXPENSES	<u>1,134,330</u>	<u>1,085,422</u>
OPERATING SURPLUS FOR THE YEAR	<u>816,067</u>	<u>794,534</u>

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

**BALANCE SHEET
AS AT 30 JUNE 2011**

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash at Bank and on hand	3	4,249,194	3,410,570
Other Debtors		11,430	0
TOTAL CURRENT ASSETS		<u>4,260,624</u>	<u>3,410,570</u>
NON CURRENT ASSETS			
Land and Building		798,000	798,000
Building improvements, plant and equipment	4	733,661	764,300
TOTAL NON CURRENT ASSETS		<u>1,531,661</u>	<u>1,562,300</u>
TOTAL ASSETS		<u>5,792,285</u>	<u>4,972,870</u>
CURRENT LIABILITIES			
Accounts payable and accrued expenses		47,941	41,285
Provisions	5	67,803	71,111
TOTAL CURRENT LIABILITIES		<u>115,744</u>	<u>112,396</u>
NON CURRENT LIABILITY			
TOTAL NON CURRENT LIABILITY		<u>0</u>	<u>0</u>
TOTAL LIABILITIES		<u>115,744</u>	<u>112,396</u>
NET ASSETS		<u>5,676,541</u>	<u>4,860,474</u>
MEMBERS' FUNDS			
Accumulated surplus at beginning of year		4,860,474	4,065,940
Surplus for the year		816,067	794,534
MEMBERS' FUNDS AT END OF YEAR		<u>5,676,541</u>	<u>4,860,474</u>

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

The accompanying notes form part of these financial statements

**STATEMENT OF CHANGES IN MEMBERS' FUNDS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Opening Balance		4,860,474	4,065,940
Transfer net gain/(loss) on disposal of asset		0	0
Surplus/(deficit) recognised directly in members funds		0	0
Surplus from ordinary activities		816,067	794,534
Total recognised income and expenses for the year Attributable to the Members		816,067	794,534
Closing Balance		<u>5,676,541</u>	<u>4,860,474</u>

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Cash Flow from operating activities			
Membership fees		1,645,860	1,645,769
Payments to suppliers and employees		(1,102,203)	(1,027,694)
Interest received		258,093	226,287
Sundry Income		46,444	4,900
Cash provided by operating activities	6	<u>848,194</u>	<u>849,262</u>
Cash Flow from investing activities			
Payments for buildings, plant and equipment		(9,570)	(36,064)
Net increase/(decrease) in cash		838,624	813,198
Add: Cash at beginning of year		3,410,570	2,597,372
Cash at end of year	3	<u>4,249,194</u>	<u>3,410,570</u>

The accompanying notes form part of these financial statements

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 then, 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. Assets costing less than \$1,000 are written off 100% in the year of purchase.

(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. Further, there is no Recovery of wages activity for this financial year ending 30 June 2011.

(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) Land and Building

It is not practicable to ascertain the separate values of the land and the building. Therefore, depreciation has not been provided on the building.

(e) 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.

(f) Membership Fees

Membership Fees are accounted for on a cash basis.

(g) Building Expenses

This item includes removal expenses, water and council rates, cleaning and security.

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

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE
2011 (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), (3) and (5) of Section 272, which read as follows:

- (1) A member of a reporting unit, or Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (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).

Note. This subsection is a civil penalty provision (see section 305).

- (5) A general purpose financial report prepared under section 253, a concise report prepared under section 265 and a report prepared under subsection 270(4) must include a notice drawing attention to subsections (1), (2) and (3) of this section and setting out those subsections.

NOTE 3: CASH

	2011	2010
	\$	\$
Cash on hand	3,000	3,500
Cash at bank	(2,479)	2,344
Cash at QSCU	1,552	1,317
Business Online Saver	153,233	233,554
QSCU Term Deposit	4,093,888	3,169,855
	<u>4,249,194</u>	<u>3,410,570</u>

NOTE 4: NON CURRENT ASSETS

Asset	2011			2010		
	Valuation or cost	Dep'n	Written down value	Valuation or cost	Dep'n	Written down value
	\$	\$	\$	\$	\$	\$
Building Improvements	804,038	122,379	681,659	797,113	102,393	694,720
Computers	124,318	103,523	20,795	124,318	89,082	35,236
Furniture & Fittings	27,346	13,848	13,498	26,828	11,138	15,690
Office Equipment	87,194	69,485	17,709	85,067	66,413	18,654
Total	<u>1,042,896</u>	<u>309,235</u>	<u>733,661</u>	<u>1,033,326</u>	<u>269,026</u>	<u>764,300</u>

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

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE
2011 (continued)**

	2011	2010
	\$	\$
NOTE 5: PROVISIONS		
Annual Leave	35,434	39,280
Long Service Leave	32,369	31,831
	<u>67,803</u>	<u>71,111</u>

**NOTE 6: RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH OPERATING
SURPLUS**

	2011	2010
	\$	\$
Operating Surplus	816,067	794,534
Non Cash Flows in Operating Surplus		
Depreciation	40,208	46,743
Provision for Employee Entitlements	(3,308)	21,104
Changes in Assets and Liabilities		
Increase (Decrease) in Payables	6,657	(13,511)
(Increase) Decrease in Other Debtors	(11,430)	392
Net Cash provided by operating activities	<u>848,194</u>	<u>849,262</u>

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.

In August 2005, the Division purchased, renovated and moved into a building near Sydney Airport. This has resulted in increased convenience for members and a significant saving on rent.

Rights of members to resign

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.

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

- (e) A notice of resignation that has been received by the Association is not invalid because it was not addressed and delivered in accordance with Sub-Rule (a).
- (f) A resignation from membership of the Association is valid even if it is not affected in accordance with this rule if the member is informed in writing by or on behalf of the Association that the resignation has been accepted.

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.

No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

Number of members

The number of persons who were, at 30 June 2011, recorded on the Register of Members of the Division was 2,966.

Number of employees

The number of persons who were, at 30 June 2011, employees of the Division was 6.

Members of Divisional Council

The persons, who held office during the year ended 30 June 2011, are:

- Michael Mijatov (Secretary)
- Lee Lam (Assistant Secretary)
- Steven Reed (President)
- Vanessa Dunn (Vice President)
- Mark Agar
- Tony Brady
- Stephen Brownlie
- Yvette Childs
- Sonia Fabbro
- David Horsfall
- Lew Jackson
- Nicholas Kenny



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MICHAEL MIJATOV
9 December 2011

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

COMMITTEE OF MANAGEMENT STATEMENT

At a meeting held on 9 December 2011, the Divisional Council 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 30 June 2011.

The Divisional Council 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 30 June 2011.
- (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 Council of the Flight Attendants' Association of Australia International Division.



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MICHAEL MIJATOV
DIVISIONAL SECRETARY
9 December 2011

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

Report of the Financial Report

We have audited the accompanying financial report of the Flight Attendants' Association of Australia International Division, which comprises the balance sheet as at 30 June 2011 and the income statement and cash flow statement for the year ended 30 June 2011, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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. These Auditing 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 entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

In our opinion:

The general purpose financial report of the Flight Attendants' Association of Australia International Division in accordance with the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996 including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2011 and of its performance and its cash flows for the year ended on that date; and

**FLIGHT ATTENDANTS' ASSOCIATION OF AUSTRALIA
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- ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996.

CHARTER GROUP
Chartered Accountants



WILLIAM J. WALKER
Institute of Chartered Accountants No. 72337
Registered Company Auditor No. 1111
Level 34, 50 Bridge Street
SYDNEY NSW 2000
9 December 2011

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of Flight Attendants' Association of Australia International Division for the year ended 30 June 2011, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Flight Attendants' Association of Australia International Division only.

CHARTER GROUP
Chartered Accountants



WILLIAM J. WALKER
Institute of Chartered Accountants No. 72337
Registered Company Auditor No. 1111
Level 34, 50 Bridge Street
SYDNEY NSW 2000
9 December 2010

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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 presented to the Committee of Management meeting on 9 December 2011; and
2. that the full report be provided to members on 16 December 2011.



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MICHAEL MIJATOV
9 December 2011