

WITHOUT A TRAVEL AGENT YOU'RE ON YOUR OWN

# ANNUAL REPORT

2009

AUSTRALIAN FEDERATION OF TRAVEL AGENTS



2009

AUSTRALIAN FEDERATION OF TRAVEL AGENTS

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# ANNUAL REPORT

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# 2009

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## COMPANY DETAIL

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### ***Registered Office***

Level 3  
309 Pitt Street  
SYDNEY NSW 2000  
ABN: 72001444275

### ***Auditor***

John James Masselos  
Chartered Accountant  
Level 17  
44 Market Street  
SYDNEY NSW 2000

### ***Solicitors***

Slater & Gordon  
Level 11  
51 Drutt Street  
SYDNEY NSW 2000

Ryan Lawyers  
Level 6  
40 King Street  
SYDNEY NSW 2000

### ***Bankers***

Westpac Banking Corporation  
Commercial Banking Sydney East  
Level 31/75 Kent Street  
SYDNEY NSW 2000



## MISSION STATEMENT

*To be truly representative of the travel agents of Australia. To enhance the professionalism and profitability of its members through effective representation in industry and government affairs, education and training and satisfy the needs of the travelling public. To promote travel and domestic tourism*

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## BOARD OF DIRECTORS

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**CHAIRMAN**  
Carl Buerckner  
MD HRG Australia



**VICE CHAIRMAN**  
Warwick Blacker  
GM Jetset Travelworld



**VICE CHAIRMAN**  
Mike Thompson  
CEO Travelscene Amex



**DIRECTOR**  
Peter Lacaze  
CEO Stella Travel Services



**DIRECTOR**  
David Greenland  
ED Carlson Wagonlit



**DIRECTOR**  
Spiros Alysandratos  
CEO Consolidated Travel



**DIRECTOR**  
Graham Turner  
MD Flight Centre



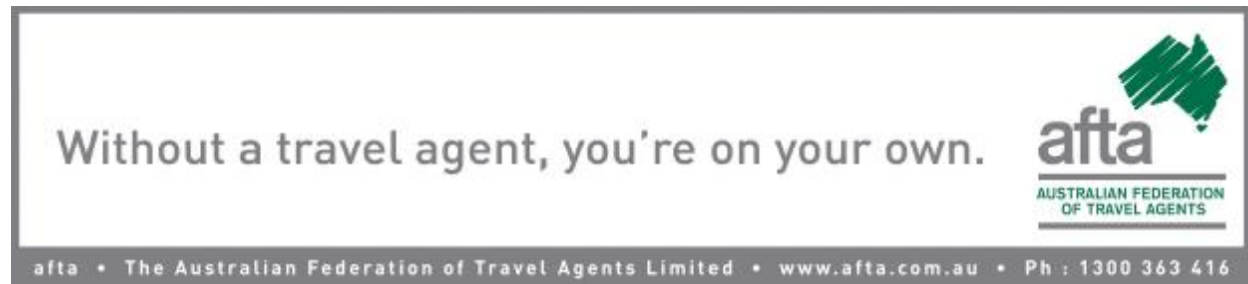
**DIRECTOR**  
Justin Morgan  
GM Aus/NZ Amex Corp Travel

**ANNUAL REPORT – 2009**

**DECLARATION**

Presented to the Annual General Meeting at the Westin Sydney at 2.30 pm on Saturday, 11 July 2009.

The Board of Directors has pleasure in presenting the 52<sup>nd</sup> Annual report for the activities of the Federation for the twelve months ended 31 March 2009 representing the 32<sup>nd</sup> Annual Report of the Federation as a Company. The report covers the Federation's financial year to 31 March 2009 and the period of the current Board which took office on 5 July 2008.



## CHAIRMAN'S REPORT

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The AFTA year to March 31, 2009 has been a big year of change for AFTA and indeed the industry. When I reflect on the previous year's report it is hard to believe that so much can change in twelve months. Nevertheless, the AFTA year end has placed the federation in good shape for the year ahead.



With the slump in the currency exchange, consumer and business confidence at record lows, world financial markets in turmoil, it is a testament to the travel industry that we have gone on to survive during this year.

While certain sectors of the industry have found the going very tough, particularly the corporate travel sector, other niche areas of the retail sector have grown. Take the cruise industry for example; they recorded a growth of 26% for the year which clearly was against all other sectors and trend. An excellent result for agents, consumers and the cruise industry. On the corporate side of the ledger things have not been so rosy with companies aggressively reviewing their travel policies and changing their travel patterns. It has certainly been a year to work closer with customers and find ways to ride out the downturn. AFTA has also experienced some big changes this year with the departure on the 31<sup>st</sup> December 2008 of Mike Hatton OAM as the Chief Executive. Mike served the organization for over 10 years and has been at the helm of many many trouble times. The Board, Members and all concerned in the industry celebrated Mike's contribution with him being awarded an OAM in the Australian honours list in June 2008. We also made sure he enjoyed his farewell which brought together a very broad range of long standing industry colleagues who said thank you to Mike for his work. This year has also seen a number of changes within the board of AFTA and this included the appointment of Peter Lacaze Stella Travel, Warwick Blacker Jetset Travelworld and, David Greenland Carlson Wagonlit. I take this opportunity to acknowledge the efforts of all AFTA directors who give of their time freely and support the efforts in the interests of the entire travel agency community. We have also seen the appointment of our new Chief Executive Jayson Westbury who took the reins on the 1<sup>st</sup> January 2009 and has already started to make his mark on the industry. This will be my last annual report as your Chairman as I will be stepping down at the AGM in July 2009. I have enjoyed the past 4 years as a Director of AFTA, 2 of which I have served as Chairman. AFTA has again posted an operating surplus, whilst maintaining expense control at static levels, and that is a result with which I and the Board are very pleased. On behalf of the Board I wish to extend my thanks to the AFTA staff for their work over this past year and compliment them on their commitment and dedication to the betterment of AFTA members and the industry in general.

Carl Buerckner  
Chairman

## YEAR IN REVIEW

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Who would ever have thought that we would end the year in the mindset that we did compared with how we started the year. The past 12 months have been amongst some of the toughest ever witnessed in the travel industry and the change came so quickly. 12 Months ago the industry was planning for the successful year ahead. We were in a skill shortage and nobody could find staff let alone good staff. The front of the plane was full and if you wanted to fly overseas you had to make your plans around availability. *"How quickly we all have to change our thinking".*

Today, 12 months on for AFTA and 12 months on for the travel industry all of the thinking has changed. We are in new times, we are headed into tougher times, but at least it would appear the Australia is well placed to battle the road ahead and possibly be better placed for the good times that will return.

Over the past 12 months AFTA has been very focused and busy on our lobbying processes and the successful announcement of the Ministerial Council on Consumer Affairs review into consumer protection in the travel industry is one very good example of this work. While the process has only just begun the past year has laid the ground work for this announcement. AFTA will be taking a lead role in the development of an agreed industry position in the year ahead and this will dominate the activities of AFTA. It is not often that an industry really does get the chance to work with government to reshape the regulatory framework in which it works and we hope that strong, industry relevant outcomes will prevail going forward.

AFTA continues to play an important role on a number of government committees to ensure that the industry is well represented.

AFTA has undertaken a review of the way it communicates with both members and the broader industry. This has included the redeployment of the AFTA Traveller, redevelopment of the AFTA website. The new AFTA Online website has proven to be very welcomed and offers a range of new information for members, the industry and the consumer.

The dedicated team at AFTA have continued to service the membership and while several changes have occurred over the past 12 months, AFTA continues to provide a high level of service and quality to the members and industry.

The 2008 National Travel Industry Awards (NTIA) was once again a huge success with several new entries to the hall of fame. This activity has become a permanent fixture on the industry events calendar and AFTA is committed to this event going forward.

Through the involvement with the National Tourism Alliance (AFTA holds the vice chairmanship) AFTA continues to support the broader tourism industry in Australia. This has included a range of activities over the past 12 months including involvement in the Federal Governments Long Term Tourism Strategy and the development of the Future Directions position paper which the NTA should be very proud of. AFTA continues to work with all of

the relevant industry bodies and enjoys a strong working relationship across all sectors of the travel and tourism industry.

As an important directional decision, AFTA has increased its involvement and relationship with the boarder distribution system. This has included a closer working relationship with a range of suppliers working on important industry issues and providing a platform to discuss and develop solutions.

AFTA continues to play an important role in discussions with IATA and has been at the forefront of the reintroduction of the Australia Pacific Joint Council, in which travel agents and airlines come together regularly to talk about important and relevant industry issues.

Through the support of the International Cruise Council of Australia, AFTA has maintained an interest and involvement with the broader cruise industry, which has in the past 12 months shown very strong growth. The support of the travel agency networks has also demonstrated the strength of a healthy distribution system for travel products.

AFTA currently provides secretariat services to the Council of Australian Tour Operators (CATO) and the Travel Industry Careers Association (TICA). The support of both of these organizations again demonstrates the importance of strong relationships with the broader industry.

Globally, AFTA continues to be a member of the World Travel Agents Associations Alliance (WTAAA) which represents some 70% of the global BSP distribution system over all major continents. This membership gives AFTA a voice on the global stage which is important given the nature of the travel industry.

The past 12 months have presented a number of challenges including the global financial crisis, the significant drop in consumer confidence and of more recent times the H1N1 influenza. AFTA has been supporting the industry over the past year by way of its public and media relationships to ensure that the travel industries interests are represented and when appropriate that a strong voice is available to the media to speak on such matters.

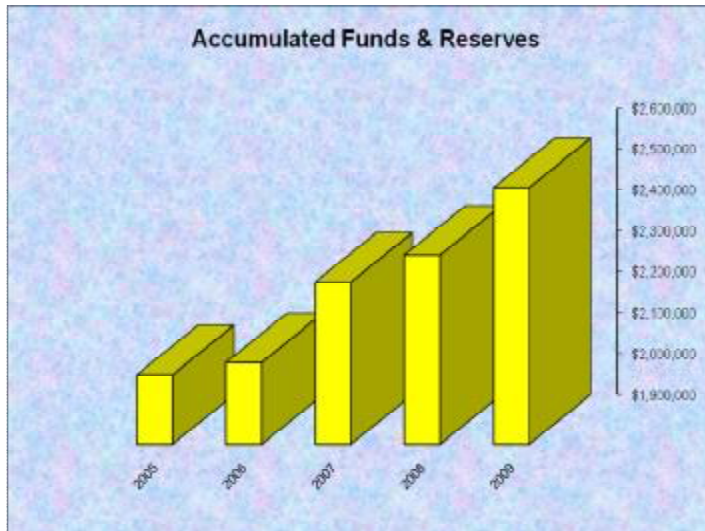
## FINANCIAL RESULTS

On behalf of the Board of Directors I report on the financial operations of the Federation for the year ended March 31, 2009.

AFTA works to an annual budget and business plan and this is presented to the board each year. I am pleased to report that the major activities of the Federation are in keeping with the business plan and that the financial results are in line with the expectations of the Board of Directors.

For the year ended March 31, 2009 I can report a modest profit of \$4,113. This is in line with the budgeted expectations as the past 12 months have been used to include a progression plan and changeover of Chief Executives.

What is very pleasing to report is that the Federation continues to be in a very strong net equity position. As the graph on the next page outlines AFTA has a strong reserve position.



*AFTA reserves of over \$2.5 Million  
Up \$180K on last year*

AFTA has continued to maintain its broad membership support and now represents in excess of 94% of the turnover of the travel agency community. This strong membership support is reflected in the membership fees. While membership fees represent the majority of the income for the Federation, the ongoing business plan will address ways to insure that AFTA continues to have a strong viable future.

This graph demonstrates the annual increase in membership revenue outlining the continued strong support by the industry



*Strong membership support and broad industry representation*

On other income streams, it should be noted that the income from training and colleges is down on previous years but other incomes such as webmail and the NTIA remain as strong contributors to the success of AFTA.

This year, administration expenses are up on previous years this can be attributed to the strategic approach that the board took in replacing the Chief Executive over the past 12 months.

Overall, another strong result for the Federation with the financial management being well managed and in line with the board's expectations and the business plan of AFTA.

## CONCLUSION

The past 12 months have certainly presented new challenges for AFTA and the industry. It is good to know that the travel agent community continues to succeed in light of the current trading conditions.

The Board of AFTA represents the cross section of the industry and is now working very well on the issues facing the industry.

While the many issues that we have all faced over the past 12 months have finished in a completely different place in which we started, it is good to know that the Travel Agent has such a united and strong voice it can rely upon. For over 50 years, AFTA has brought forward the views and opinions of travel agents and while over this time the industry has changed, it is the good spirit, professionalism and Australian mateship that have been the cornerstone of the success of AFTA.

The support that AFTA gains from suppliers, travel media, wholesalers, governments and the broader industry is testament to the way AFTA approaches things. As the voice of travel agents, AFTA must always represent the interests of the agency community and over the past 12 months all of these relationships have been tested in one way or another. It is a great feeling to be able to say that AFTA enjoys a strong working relationship with such a diverse set of stakeholders and I look forward to this continuing in the year ahead.

*Jayson Westbury*  
*Chief Executive*

## DOMESTIC TOURISM

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*AFTA'S leading role in supporting and promoting domestic tourism in Australia has continued over the past 12 months and is manifested in many ways – from direct financial assistance from the Federation or in participatory activities which see AFTA's input into a range of organizations and events throughout the year.*

*One of the most noteworthy contributions AFTA makes is the organisation's long standing assistance and commitment to the Sustainable Tourism Co-operative Research Centre (STCRC) based at Griffith University in Queensland. AFTA was the lead and only industry body that committed support and pledged funding in order to have this research institute commenced back in 1999, and has maintained that support – both financial and in kind – for the entire period of the Centre's operation. In addition AFTA has served on the Board of Directors of the STCRC for its entire period of operation.*

*AFTA's involvement with the STCRC is a partnership which represents an important investment in the future of tourism in Australia, as the Centre carries out hundreds of research projects designed to further enhance sustainability in Australian tourism.*

*Given our industry's widespread geographical base, it is also essential that we keep in close contact with various Federal and State bodies and institutions which impact on domestic tourism.*

*Decisions and discussions within Tourism Australia and state government tourism bodies have a direct effect on the daily operations of travel agents, not only in a*

*particular state but right across the country, making it critically important that such forums are aware of our viewpoint.*

*The same applies at the very top Federal policy level where it is essential that we keep close to the decision making processes which concern us, and so we are able to take our case directly to those responsible for making such decisions. While AFTA, by and large, must be driven by the narrow focus of the interests of the travel agent, it is important that our input contributes to the benefit of the industry generally, and in particular at times when it is essential that the industry speak with one voice.*

*In this respect AFTA maintains essential tourism relationships with a wide range of government and industry bodies. These include being a member of the Australian Tourism Industry Taxation Task Force; a member of the Australian government National Tourism and Aviation Advisory Committee; holding the position of Vice Chair of the National Tourism Alliance; membership of the Tourism Industry Council of New South Wales and Queensland Tourism Industry Council. In fact, AFTA has played a key role of event supporter to the NSW Tourism Awards process, which this year returned to the management by the industry.*

*AFTA also maintains a close working relationship with the Australian Tourism Export Council; the Association of Convention Bureaux; the Sydney Convention Bureau; the Hotel and Motel Association of Australia; the Australian Hotels Association and the Council of Australian Tour Operators.*

*Participation in all these organizations assists AFTA to keep abreast of developments which have a bearing on the small business community, as well as providing us with an important representation tool.*

*In recent times AFTA has been actively engaged in the Federal government's initiative to establish a National Accreditation Scheme for Australian tourism operators. In addition, AFTA is an active participant, through the National Tourism Alliance, in the industry submission to government that will form part of the Federal Tourism Minister's National Long Term Tourism Strategy for Australian Tourism.*

*AFTA has also taken part in the development of the Federal Government's No Leave No Life campaign which was designed to target Australian's taking holidays in Australia. AFTA attended a range of meetings in the lead up to the development of the campaign and has encouraged a wide range of businesses including travel agents to take part. The AFTA Online website has also been provide a regular place and links for this important Federal Government initiative to promote domestic tourism.*

*At another level is AFTA's involvement in the Travel Industry Careers Association – a*

*body designed to foster careers and enhancement of prospects for new entrants into the Australian tourism industry. AFTA also maintains active involvement in training through the AFTA Education and Training Division which has oversight of AFTA college and distance learning operations within the industry; maintenance of the Australian Travel Professionals Accreditation Scheme, and responsibility for the production of AFTA's travel and tourism training modules for students completing courses in Australian travel and tourism. AFTA considers this to be an essential part of the ongoing educational process and a critical element in bringing qualified employees into the industry. The year ahead will also see AFTA's active involvement in the Australian Tourism Exchange expo to be held in Melbourne, Victoria in June 2009.*

*AFTA regards involvement in all these activities as an essential part of its role in effective representation of travel agents and in the promotion of domestic tourism. AFTA is committed to the broader tourism industry in Australia and maintains a constant and vigilant involvement in a range of activities to support domestic tourism industry in Australia.*

## CORPORATE GOVERNANCE

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### **Introduction**

*Corporate Governance is the system by which companies are directed and controlled.*

*Directors are responsible for the governance of their Companies. The role of members with corporate governance is to appoint directors and auditors and to satisfy themselves an appropriate structure is in place. The responsibilities of the Board include setting up the strategic aims and mission statement of the Federation, providing leadership, supervising management and reporting to members.*

*The Board's actions are at all times subject to statutes, regulations and members at general meetings.*

*Local business practices have demonstrated during recent years an increased focus on the standard of corporate governance practices with a view to improving board and management behaviour, and providing an aid to management.*

*The Federation has always adopted "best practice" particularly in relation to financial reporting and accountability.*

### **Board of Directors and Committees**

*The Board monitors the achievements of its strategic aims and mission statement.*

*Committees formed from time to time comprise Directors in various roles together with the assistance of outside qualified persons as may be required.*

*All procedures and mandates for committees are reviewed regularly.*

*The Board has established an appropriate framework for management of the Federation including internal control procedures, business risk management processes and maintenance of significant ethical standards.*

### **Audit Committee**

*Statements of Corporate Governance, Auditing Practice and Business promote the role of audit committees for all significant entities.*

*The Federation recognised this important concept by introducing an Audit Committee in 1980 many years prior to recommendation by Australian accounting bodies; prior to generally accepted business practices and also prior to requirements for listed companies.*

*An audit committee in the context of the Federation is defined as a committee comprising non-executive members of the Board to which has been assigned scrutiny of the financial reporting and auditing process.*

*One of the roles of the Audit Committee is to recommend adoption of the Financial Statements to the full Board.*

*The Board is effectively informed by providing each Director with a copy of the Audit Committee Memorandum, Minutes, or extracts there from on a timely basis.*

*The role of the Federation's Audit Committee included:*

- 1. Review and discuss the scope of the audit conducted and if appropriate to*

*suggest extensions in areas of special interest.*

- 2. Review details of the audit and discuss the Financial Statements in detail with the Auditor with particular attention focused on significant and unusual items, disclosure of other items that may not be included and questions on performance in general.*
- 3. Recommend to the full Board any changes to accounting policies, operations and controls.*
- 4. Examination of the internal control of the Federation's financial affairs and discharge of any particular financial assignments that the Board may wish the Committee to undertake.*
- 5. Enhance communications between the Board and Auditor.*
- 6. Adherence to codes of corporate conduct.*

*Finally, the Committee organises, reviews and reports on any special reviews or investigations deemed necessary by the Board.*

### **New Directors**

*Proper Corporate Governance procedures provide for a suitable educative process for all newly appointed Directors.*

*This process relates to all corporate activities, controls, issues, strategies and in particular encouraging meetings with management to gain a full and frank understanding of the Federation.*

### **Internal Controls**

*The Directors, who are responsible for the internal control systems for the Federation, recognise no cost effective system will preclude irregularities, error, etc.*

*The Federation has a comprehensive and well planned budgetary system annually approved by the Board with monthly reporting and measurement of actual results.*

### **Ethical Standards**

*The Federation has established ethical standards appropriate for all personnel, Directors, management and staff.*

*These standards generally relate to professional conduct and presentation, contact with members, trading with suppliers, consulting with advisors, meeting with governments and industry principals, relations with overseas associations, encouraging public forums, and striving for professional and high standard education tuition in the Federation's Education and Training divisions.*

### **Conclusion**

*All Federation personnel, including Directors, perform their duties with integrity and objectivity with the ultimate aim of enhancing the reputation and performance of the organisation.*

*The Annual General Meeting provides an important opportunity for members to express their views and respond to initiatives proposed by the Board.*

**THE AUSTRALIAN  
FEDERATION OF TRAVEL  
AGENTS LIMITED  
ABN 72 001 444 275**

**Directors' Report**

The Directors present their report together with the financial report of The Australian Federation of Travel Agents Limited ('the Federation') for the year ended 31 March 2009 and the auditor's report thereon.

**Directors**

The directors of the Federation at the date of this report:

**C Buerckner**  
(Chairman)  
**M Thompson**  
(Vice Chairman)  
**W Blacker**  
(Vice Chairman)  
**S Alysandratos**  
**D Greenland**  
**P Lacaze**  
**J Morgan**  
**G Turner**

**Directorate**

Details of the qualifications, experience and special responsibilities of each director:

**C Buerckner, Chairman**  
Director since September 2005  
Managing Director  
HRG Australia  
Member of Audit Committee

**M Thompson, Vice Chairman**  
Director since January 2007  
Chief Executive Officer  
Travelscene American Express  
Member of Audit Committee

**W Blacker, Vice Chairman**  
Director since January 2009  
General Manager  
Jetset Travelworld Group  
Member of Audit Committee

**S Alysandratos**  
Director since July 2008  
Chief Executive Officer  
Consolidated Travel

**D Greenland**  
Director since August 2008  
Executive Director  
Carlson Wagonlit

**P Lacaze**  
Director since October 2008  
Chief Executive Officer  
Stella Travel Services

**J Morgan**  
Director since August 2007  
Vice President  
American Express Business Travel

**G Turner**  
Director since September 2005  
Managing Director  
Flight Centre Limited

Details of the qualifications, experience and special responsibilities of each alternate director:

**M Almeida**  
Alternate Director since December 2008  
Managing Director  
Airline Marketing Australia

**R Carstensen**  
Alternate Director since December 2008  
Group General Manager Air Tickets  
Stella Travel Services

**M Mulholland**  
Alternate Director since May 2008  
General Manager – Consolidation  
Flight Centre Limited

**A Sivaratnam**  
Alternate Director since December 2008  
Chief Financial Officer  
Carlson Wagonlit

### Directors Meetings

The number of directors meetings (including meetings of a committee of directors) and number of meetings attended by each of the directors of the Federation during the financial year.

	Board		Committee	
	Eligible	Attended	Eligible	Attended
S Alysandratos	4	-	-	-
(W Blacker, Alternate for S Alysandratos)	3	3	-	-
(M Almeida, Alternate for S Alysandratos)	1	1	-	-
W Blacker	1	1	-	-
C Buerckner	5	5	1	1
(J Gardner, Alternate for C Buerckner)	-	-	-	-
D Greenland	3	3	-	-
(A Sivarathnam, Alternate for D Greenland)	-	-	-	-
P Lacaze	3	3	-	-
(R. Carstensen, Alternate for P Lacaze)	-	-	-	-
J Morgan	5	5	-	-
(D Murrette, Alternate for J Morgan)	-	-	-	-
M Reed	2	1	-	-
(G Smith, Alternate for M Reed)	1	-	-	-
G Smith	1	1	-	-
K Stanley	2	1	1	-
(M Emney, Alternate for K Stanley)	-	-	-	-
M Thompson	5	4	1	1
G Turner	5	-	-	-
(M Mulholland, Alternate for G Turner)	5	3	-	-

### Principal Activities

The Federation's principal activities during the year were: to promote and develop tourism as an industrial resource of Australia; to develop training for travel professionals throughout Australia; to operate as a professional association thereby representing the business interests of travel agents; to create a strong and cohesive relationship with federal and state government departments where applicable in education, tourism, aviation, transport and communications; to increase consumer awareness and create a strong community profile about the services that our members provide.

### **Report of the Directors**

No significant change in the principal activities of the Federation occurred during the year.

### **Results**

The operating surplus of the Federation was \$1,113 (2008 surplus: \$52,302). A complete analysis of the trading results for each business sector is shown below.

### **Dividends**

The Federation is a company limited by guarantee with no share capital. Rule 3 of the Company's Constitution prohibits the Federation from paying dividends.

### **Review of Operations**

Detailed information of the years operations is contained in the Notes to the Financial Statements. However a synopsis follows:

### **Income**

#### Membership

Membership has decreased in terms of physical numbers of members (2,459 at 31 March 2009 – 2,528 at 31 March 2008). Membership revenue has increased (\$848,694 in 2009 - \$731,201 in 2008).

#### E&T / Travel Colleges

Management of the travel colleges is outsourced. College royalty income is down 48% this year (2008: 8%).

### National Awards

The awards recorded a profit of \$65,576 in 2009 compared to a profit of \$56,895 in 2008.

### Gross Marketing Income

Marketing income has increased by \$8,960.

### **Expenditure**

Both Head Office administration costs and special project costs have increased this year.

### **State of Affairs**

There were no significant changes in the state of affairs of the Federation during the year other than mentioned in this report.

<b>Review of Operations</b>	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>Income</b>		
Members	848,694	731,201
Royalties & Rebates	-	5,000
E&T / Travel Colleges	39,243	75,931
Investment	69,633	69,678
National Awards	65,576	56,895
Wehmail - Gross Marketing Income	145,789	136,829
Rent Received	25,722	23,799
Other	11,040	16,216
	<u>1,205,697</u>	<u>1,115,549</u>
<b>Expenditure</b>		
Administration and Other	1,092,605	973,448
Special Projects	108,979	89,799
	<u>1,201,584</u>	<u>1,063,247</u>
<b>Surplus for the Year</b>	<b>\$ 4,113</b>	<b>\$ 52,302</b>

### **Environmental Regulation**

The Federation's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. However, the Board believes that the Federation has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Federation.

### **Events Subsequent to Balance Date**

There has not arisen in the interval between the end of the financial year and the date of this report, any other item, transaction or event of a material and unusual nature likely in the opinion of the directors of the Federation to affect significantly:

- i) the operations of the Federation.
- ii) the results of those operations; or
- iii) the state of affairs of the Federation in future financial years.

### **Likely Developments**

It is not foreseen that the Federation will undertake any change in its general direction during the coming financial year. The Federation will continue to pursue its activities as detailed earlier in this report to produce the most beneficial result for its members and the travel industry.

**Directors Benefits**

No director has received any financial benefits or remuneration during the financial year and there were no benefits existing at year-end.

**Indemnification and Insurance of Officers**

During the financial year, the Federation paid a premium in respect of a contract insuring the Directors of the Federation and Executive Officer of the Federation against a liability incurred as such a Director or Executive Officer to the extent permitted by the Corporations Law. Such premium paid totalled \$9,328 (2008: \$7,973) and covers all Directors of the Federation and the Executive Officers.

The insurance policy outlined above does not contain details of the premium paid in respect of individual officers of the company.

**Auditor's: Independence Declaration under Section 307C of the Corporations Act 2001**

A copy of the auditor's independence declaration is set out on page 25.

Signed at Sydney in accordance with a  
resolution of the directors  
dated 3 June 2009



**Carl Buerckner**  
**Chairman of Directors**

**THE AUSTRALIAN FEDERATION OF TRAVEL AGENTS LIMITED**

**Income Statement  
For the year ended 31 March 2009**

	Notes	2009 \$	2008 \$
Revenue	2	1,205,697	1,115,549
Administrative expenses, other expenses and special projects	2	(1,201,584)	(1,063,247)
Surplus for the year		<u>4,113</u>	<u>52,302</u>

**Statement of Changes in Accumulated Funds and Reserves  
For the year ended 31 March 2009**

<b>Accumulated Funds</b>		
Balance at Beginning of Financial Year	1,362,690	1,310,388
Operating Surplus for Year	4,113	<u>52,302</u>
Balance at End of Financial Year	<u>1,366,803</u>	<u>1,362,690</u>
<b>Asset Revaluation Reserve</b>		
Balance at Beginning of Financial Year	985,520	985,520
Increase in Reserve	<u>175,000</u>	<u>-</u>
Balance at End of Financial Year	<u>1,160,520</u>	<u>985,520</u>
<b>Accumulated Funds and Reserves</b>	<u>2,527,323</u>	<u>2,348,210</u>

The Asset Revaluation Reserve relates to property (building) measured at fair value in accordance with applicable Australian Accounting Standards.

The accompanying notes form part of the Financial Statements.

**THE AUSTRALIAN FEDERATION OF TRAVEL AGENTS LIMITED**

**Balance Sheet  
As at 31 March 2009**

	Notes	2009 \$	2008 \$
<b>Current assets</b>			
Cash		842,553	1,210,926
Receivables	3	226,936	130,006
Prepayments		<u>101,031</u>	<u>156,052</u>
<b>Total current assets</b>		<b><u>1,170,520</u></b>	<b><u>1,496,984</u></b>
<b>Non-current assets</b>			
Investments	4	238	703
Property, plant and equipment	5	1,742,590	1,446,762
Capitalised Website Costs	6	<u>13,258</u>	-
<b>Total non-current assets</b>		<b><u>1,756,086</u></b>	<b><u>1,447,465</u></b>
<b>Total assets</b>		<b><u>2,926,606</u></b>	<b><u>2,944,449</u></b>
<b>Current liabilities</b>			
Accounts Payable		70,241	90,971
Provision for Employee Benefits	7	10,672	122,711
Other	8	<u>312,299</u>	<u>382,557</u>
<b>Total current liabilities</b>		<b><u>393,212</u></b>	<b><u>596,239</u></b>
<b>Non-current liabilities</b>			
Provision for Employee Benefits	7	<u>6,071</u>	-
<b>Total non-current liabilities</b>		<b><u>6,071</u></b>	<b><u>-</u></b>
<b>Total liabilities</b>		<b><u>399,283</u></b>	<b><u>596,239</u></b>
<b>Net assets</b>		<b><u>2,527,323</u></b>	<b><u>2,348,210</u></b>
<b>Accumulated funds and reserves</b>			
Accumulated Funds		1,366,803	1,362,690
Reserves		<u>1,160,520</u>	<u>985,520</u>
<b>Total accumulated funds and reserves</b>		<b><u>2,527,323</u></b>	<b><u>2,348,210</u></b>

The accompanying notes form part of the Financial Statements.

**THE AUSTRALIAN FEDERATION OF TRAVEL AGENTS LIMITED**

**Statement of Cash Flows  
For the Year Ended 31 March 2009**

	Notes	2009 \$	2008 \$
<b>Cash flows from operating activities</b>			
Cash receipts from members and other sources		968,875	1,377,641
Payments for Administration etc (excluding non cash items)		<u>(1,233,875)</u>	<u>(1,214,465)</u>
Cash Generated from operations		(265,000)	163,176
Investment Income	2	<u>69,633</u>	<u>69,678</u>
<b>Net cash inflow / (outflow) from operating activities</b>	<b>18</b>	<u>(195,367)</u>	<u>232,854</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment and website	6	<u>(173,006)</u>	<u>(19,563)</u>
<b>Net cash (outflow) from investing activities</b>		<u>(173,006)</u>	<u>(19,563)</u>
<b>Net increase/(decrease) in cash held</b>		<u>(368,373)</u>	<u>213,291</u>
Cash at the beginning of the financial year		<u>1,210,926</u>	<u>997,635</u>
<b>Cash at the end of the financial year</b>		<u>842,553</u>	<u>1,210,926</u>

The accompanying notes form part of the Financial Statements.

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**THE AUSTRALIAN FEDERATION OF TRAVEL AGENTS LIMITED**

**Notes to and Forming Part of the  
2009 Financial Statements**

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## Notes to and Forming Part of the 2009 Financial Statements

### 1. Summary of Significant Accounting Policies

The significant policies, which have been adopted in the preparation of this financial report:

#### a) Statement of compliance

The financial report is a general-purpose financial report which has been prepared in accordance with Australian Accounting Standards, (AASBs) adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. International Financial Reporting Standards ('IFRSs') form the basis of Australian Accounting Standards adopted by the AASB, being the Australian equivalent to IFRS ('AIFRS').

The financial statements were approved by the Board of Directors on 3rd June 2009.

#### b) Basis of Preparation

The financial report is presented in Australian dollars.

The financial report has been prepared on the historical cost basis except for the strata title and investments which are valued at market value.

#### c) Use of Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions in accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

#### d) Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

#### e) Revenue Recognition

##### Membership Revenue

Membership revenue comprises revenue earned (net of discounts and allowances) from the provision of membership to AFTA. Membership revenue is recognised in monthly intervals throughout the year. Where membership revenue is received prior to being earned; the amount is recognised as subscriptions in advance.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due as the costs incurred or to be incurred cannot be measured reliably.

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**Notes to and Forming Part of the 2009 Financial Statements**

**1. Summary of Significant Accounting Policies (Continued)**

**c) Revenue Recognition (continued)**

Investment Income

Investment income is recognised as it accrues.

College Royalties

College Royalties are recognised on the day the course commences.

National Awards Revenue

National Awards revenue is recognised net of costs associated with the annual National Awards event. This event is held annually.

Gross Marketing Income

Gross marketing income from casual advertisers is recognised in the month the advertisement was published.

Marketing income from prepaid customers is recognised on a monthly basis over the term of the agreement and not during the month the advertisement was published.

**f) Goods and Services Tax (GST)**

Revenue, expense and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or current liability in the Balance Sheet.

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

**g) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits.

**h) Receivables**

Trade Debtors to be settled within 30 days are carried at amounts due. The collectability of debts is assessed throughout the year and at balance date and if required a specific provision is made at balance date for any doubtful accounts.

## Notes to and Forming Part of the 2009 Financial Statements

### I. Summary of Significant Accounting Policies (Continued)

#### i) Employee Entitlements

##### Wages, salaries, annual leave

The provision for employee entitlements to wages, salaries, and annual leave represents the benefits which fall due wholly within 12 months after the end of the period in which employee services are rendered. The provisions have been calculated at undiscounted amounts based on current or projected wage and salary rates.

##### Long service leave benefits

The Federation's net obligation in respect of long-term service leave benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated based on projected wage and salary rates and is discounted to its present value and the fair value of any related assets is deducted. The discount rate is the yield at the balance sheet date on government bonds that have maturity dates approximating to the terms of the Federation's obligations.

##### Superannuation

The Federation contributions to Superannuation Funds are expensed as incurred. Further information is set out in Note 13.

#### j) Property, Plant and Equipment

Equipment and furniture is measured at cost less accumulated depreciation and impairment losses.

The fair value of buildings is recognised based on market value. An external, independent valuation company valued the property in November 2008. The Board believes there has been no impairment of the strata premises since this revaluation.

When the asset's carrying amount is increased as a result of a revaluation, the increase is, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, credited directly to revaluation reserve. When an asset's carrying amount is decreased as a result of a revaluation, the decrease is, except to the extent of any credit balance existing in the revaluation reserve in respect of that asset, recognised in profit and loss. The revaluation surplus is transferred directly to retained earnings when the asset is derecognised.

Notes to and Forming Part of the 2009 Financial Statements

1. Summary of Significant Accounting Policies (Continued)

j) Property, Plant and Equipment (Continued)

Depreciation

Depreciation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each part of an item of equipment and furniture. The estimated useful lives in the current and comparative year are as follows:

Equipment and Furniture	2-10 years
Building Improvements	5 years

Depreciation methods, useful lives and residual values, if not insignificant, are reassessed at the reporting date.

k) Capitalised Website Costs

Expenditure on developing the Federation website is capitalised as it is probable that a future economic benefit will come from the development of the website.

The capitalised costs have been amortised from the time the website was first put to use over an estimated life time of 3 years.

l) Income Tax

No income tax is provided because of the exemption allowed under Section 50-40 of the Income Tax Assessment Act 1997 in respect of income of a company which is primarily carried on for the purposes of promotion of Australian Tourism.

m) Accounts Payable

Trade and other payables are stated at cost (whether or not billed to the Federation). Trade accounts payable are normally settled in less than 30 days.

n) Investments

Controlled entities

The Federation does not have any controlled entities.

Other companies

Investments in listed and unlisted companies are classified as current assets and are stated at their market value, with any resultant gain or loss recognised in the income statement.

Notes to and Forming Part of the 2009 Financial Statements

	Notes	2009 \$	2008 \$
<b>2. Revenue and Expenditure</b>			
<b>Income</b>			
Members		848,694	731,201
Royalties & Rebates		-	5,000
T&T / Travel Colleges		39,243	75,931
Investment		69,633	69,678
National Awards		65,576	56,895
Webmail – Gross Marketing Income		145,789	136,829
Rent Received		25,722	23,799
Other		<u>11,040</u>	<u>16,216</u>
		<u>1,205,697</u>	<u>1,115,549</u>
<b>Expenditure</b>			
Administration and Other		1,092,605	973,448
Special Projects		<u>108,979</u>	<u>89,799</u>
		<u>1,201,584</u>	<u>1,063,247</u>
<b>Surplus for the Year</b>		\$ <u>4,113</u>	\$ <u>52,302</u>
<b>3. Current Assets - Receivables</b>			
Trade and Other		<u>226,936</u>	<u>130,006</u>
		<u>226,936</u>	<u>130,006</u>
<b>4. Investments</b>			
<b>Investments in Other Corporations</b>			
Listed Shares at cost		727	727
Unrealised Gain/(Loss)		<u>(489)</u>	<u>(24)</u>
		<u>238</u>	<u>703</u>

## Notes to and Forming Part of the 2009 Financial Statements

### 5. Non-Current Assets - Property, Plant & Equipment

	2009				
	Building	Plant and Equipment	Furniture and Fittings	Building Improvements	Total
<b>Cost</b>					
Opening Balance	1,425,000	83,514	-	-	1,508,514
Disposals	-	(5,412)	-	-	(5,412)
Acquisitions	-	21,038	36,941	100,032	158,011
Closing Balance	1,425,000	99,140	36,941	100,032	1,661,113
<b>Revaluation of property</b>	175,000	-	-	-	175,000
<b>Depreciation and impairment losses</b>					
Opening Balance	-	61,752	-	-	61,752
Disposals	-	(2,386)	-	-	(2,386)
Depreciation charge for the year	-	10,117	6,112	17,928	34,157
Closing Balance	-	69,483	6,112	17,928	93,523
<b>Carrying amounts</b>					
At 31 March 2009	1,600,000	29,657	30,829	82,104	1,742,590

	2008		
	Building	Plant and Equipment	Total
<b>Cost</b>			
Opening Balance	1,425,000	325,487	1,750,487
Adjustments – Obsolete Assets	-	(261,536)	(261,536)
Acquisitions	-	19,563	19,563
Closing Balance	1,425,000	83,514	1,508,514
<b>Revaluation of property</b>	-	-	-
<b>Depreciation and impairment losses</b>			
Opening Balance	-	314,735	314,735
Adjustments – Obsolete Assets	-	(261,536)	(261,536)
Depreciation charge for the year	-	8,553	8,553
Closing Balance	-	61,752	61,752
<b>Carrying amounts</b>			
At 31 March 2008	1,425,000	21,762	1,446,762

#### Valuation of Strata Premises

The Strata Premises was revalued on 26 November 2008 by Joel Ducey (Registered Valuer Number 16875) at fair market value based on existing use. The market value was assessed at \$1,600,000. The Board believes there has been no impairment of the strata premises since this revaluation.

Notes to and Forming Part of the 2009 Financial Statements

	Notes	2009 \$	2008 \$
<b>6. Capitalised Website Costs</b>			
<b>Cost</b>		14,995	-
Accumulated amortisation		(1,737)	-
Net book amount		<u>13,258</u>	<u>-</u>
<b>Cost</b>			
Opening Balance		-	-
Additions		14,995	-
Balance 31 <sup>st</sup> March		<u>14,995</u>	<u>-</u>
<b>Amortisation</b>			
Opening Balance		-	-
Amortisation		1,737	-
Balance at 31 <sup>st</sup> March		<u>1,737</u>	<u>-</u>
<b>7. Provision for Employee Benefits</b>			
<b>Current</b>			
Provision for Annual Leave		10,672	<u>122,711</u>
<b>Non-current</b>			
Provision for Long Service Leave and other retirement benefits		<u>6,071</u>	<u>-</u>
<b>8. Current Liabilities - Other</b>			
GST Payable		2,767	51,609
Subscriptions in Advance		39,021	39,128
Income in Advance		<u>270,511</u>	<u>291,820</u>
		<u>312,299</u>	<u>382,557</u>
<b>9. Auditor's Remuneration</b>			
<b>Auditor</b>			
Audit of all Divisions		15,000	15,675
Other Services		-	<u>2,500</u>
		<u>15,000</u>	<u>18,175</u>

Notes to and Forming Part of the 2009 Financial Statements

	Notes	2009 \$	2008 \$
<b>10. Special Projects</b>			
CRC Co-Op Research Centre	15	50,000	50,001
Extraordinary Industry Subscriptions		8,142	-
Federal Government Aviation Green Paper Submission		1,692	-
Big Splash - Media Review		2,500	-
TCF - Legal Advice		720	-
Victorian Government Travel Agents Licensing Submission		1,944	-
Same Day Voiding		-	972
Star Alliance Corporate Arrangement		-	396
Travel Industry Careers Association		5,102	5,000
IATA – 818G Amendments Submission		1,379	10,605
Consumer Survey		-	1,400
Accreditation Scheme		-	2,800
AFTA Card		37,500	15,625
Assoc. Integration		-	1,333
HO ATO GST on deposits		-	1,667
		<u>108,979</u>	<u>89,799</u>

## Notes to and Forming Part of the 2009 Financial Statements

### 11. Additional Financial Instruments Disclosure

#### a) Interest Rate Risk

The Federation's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and liabilities are set out below.

<u>2009</u>	Notes	Floating Interest Rate \$	Fixed interest maturing in 1 year or less \$	Non Interest Bearing \$	Total \$
<b>Financial Assets</b>					
Cash		52,702	789,101	750	842,553
Receivables	3			226,936	226,936
Investments	4	-	-	238	238
		<u>52,702</u>	<u>789,101</u>	<u>227,924</u>	<u>1,069,727</u>
Weighted average interest rate at 31 March 2009					
		2.4%	6.8%		
<b>Financial Liabilities</b>					
Accounts Payable		-	-	70,241	70,241
<u>2008</u>	Notes	Floating Interest Rate \$	Fixed interest maturing in 1 year or less \$	Non Interest Bearing \$	Total \$
<b>Financial Assets</b>					
Cash		44,160	1,166,016	750	1,210,926
Receivables	3			130,006	130,006
Investments	4	-	-	703	703
		<u>44,160</u>	<u>1,166,016</u>	<u>131,459</u>	<u>1,341,635</u>
Weighted average interest rate at 31 March 2008					
		1.55%	8.2%		
<b>Financial Liabilities</b>					
Accounts Payable		-	-	90,971	90,971

#### b) Credit Risk Exposure

Credit risk represents the loss that would be recognised if counter-parties failed to perform as contracted. The credit risk on financial assets, excluding investments, of the Federation, which have been recognised on the balance sheet, is the carrying amount, net of any provision for doubtful debts.

**Notes to and Forming Part of the 2009 Financial Statements**

**11. Additional Financial Instruments Disclosure (Continued)**

c) Net Fair Values of Financial Assets and Liabilities

The carrying amounts of cash, receivables and other assets approximate Net Fair Value. The net fair value for investments can be found in Note 4.

**12. Future Commitments**

Sustainable Tourism Research Centre

The Federation has a commitment to contribute an annual sum of \$50,000 (2008: \$50,000) for this project for a five-year period from 1 July 2005 to 30 June 2010 subject to annual review by the board. The total charges against future financial statements over the period to June 2010 could accordingly total \$62,500 (2008 - \$112,500). This commitment is subject to annual review by the Board.

This research project reflects part of the Federations ongoing domestic tourism support and is a research project of some similarity to projects funded by the Federation for many years. The research centre, substantially government and industry funded, primarily conducts research into sustainable tourism.

The Federation has been issued with 520,000 B Class shares and 1,479,000 BR Class shares in the organisation.

The ownership and value of these shares has not been included in the audited Financial Statements as an asset and will not be included until such time as a readily realisable asset is deemed to emerge.

**13. Superannuation Contributions**

The Federation contributes to employee superannuation funds and all fund entitlements are income accumulation. Contributions for the year totalled \$93,717 (2008: \$60,887).

**Notes to and Forming Part of the 2009 Financial Statements**

	2009	2008
	\$	\$
<b>14. Directors Remuneration</b>		
Income received, or due and receivable, by previous directors	-	-

The number of previous directors of the Federation whose income from the Federation falls within the following bands:

\$'000	
0-10	-
10-20	-
20-30	-
30-40	-

The current directors in accordance with the constitution of the Federation are not entitled to any remuneration.

**15. Related Parties**

The names of persons who were directors at any time during the financial year:

S Alysandratos, W Blacker, C Buerckner, D Greenland, P Lacaze, J Morgan, M Reed, G Smith, K Stanley, M Thompson, G Turner.

The names of persons who were alternate directors at any time during the financial year:

M Almeida, W Blacker, R Carstensen, M Emney, J Gardner, D Marcotte, M Mullholland, A Sivaratnam, G Smith, J Sturgess.

**16. Contingent Liabilities and Contingent Assets**

No contingent liability or asset is known to exist at the date of the Financial Statements.

**17. Segment Reporting**

The Federation operates in one industry, promoting the development of tourism in Australia and in one geographical segment, namely Australia.

Notes to and Forming Part of the 2009 Financial Statements

	2009 \$	2008 \$
<b>18. Reconciliation of cash flows from operating activities</b>		
<b>Cash flows from operating activities</b>		
Operating Surplus	4,113	52,302
<i>Adjustments for:</i>		
Depreciation and Amortisation	35,894	8,553
Impairment losses	465	(460)
Loss on Disposal of Fixed Asset	3,026	-
Provisions for employee entitlements	(105,968)	(86,581)
<b>Changes in operating assets and liabilities</b>		
Decrease/(increase) in trade and other receivables	(96,930)	167,727
(Increase)/decrease in other assets	55,021	41,132
Increase in trade and other payables	(20,730)	17,529
(Decrease)/Increase in provisions and other liabilities	(70,258)	32,652
<b>Net cash (used) in /from operating activities</b>	<b><u>(195,367)</u></b>	<b><u>232,854</u></b>

**19. Company Details**

The Australian Federation of Travel Agents Limited, incorporated in 1977 under the Corporations Act 2001 is a company limited by guarantee. The company's constitution indicates that in the event of the company being wound up, the liability of each member (during the time of membership or within one year after) shall not exceed \$30.

The registered office of The Australian Federation of Travel Agents Limited is Level 3, 309 Pitt Street, Sydney NSW 2000. At 31 March 2009, there was the equivalent of five and a half full-time employees of the Federation.

**20. Subsequent Events**

No matters have arisen subsequent to balance date that the Directors consider disclosure necessary.

**THE AUSTRALIAN FEDERATION OF TRAVEL AGENTS LIMITED**

**DIRECTORS DECLARATION**

In the opinion of the Directors of The Australian Federation of Travel Agents Limited (the Federation):

- (a) **the financial statements and notes, set out on pages 6 to 21, are in accordance with the Corporations Act 2001 including:**
  - (i) **giving a true and fair view of the financial position of the Federation as at 31 March 2009 and of its performance for the financial year ended on that date; and**
  - (ii) **complying with Australian Accounting Standards and the Corporations Regulations 2001; and**
- (b) **there are reasonable grounds to believe the Federation will be able to pay its debts as and when they become due and payable.**

Signed at Sydney in accordance with a  
resolution of the board of directors  
dated 3 June 2009



**Carl Buerckner**  
**Chairman of Directors**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
THE AUSTRALIAN FEDERATION OF TRAVEL AGENTS LIMITED**

**Scope**

**The Financial Report and Directors' Responsibility**

I have audited the accompanying financial report of the Australian Federation of Travel Agents Limited which comprises the balance sheet as at 31 March 2009 and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other accompanying notes to the financial statements (Note 1 to 20), and the directors' declaration for the year ended on that date.

The directors of the Federation are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Corporations Act 2001. This responsibility includes establishing 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.

The directors state that the financial report comprising the financial statements and notes complies with Australian equivalents to International Financial Reporting Standards.

My responsibility is to express an opinion on the financial report based on our audit. My audit was conducted in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to 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 judgement, 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 federation's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the entity's internal control. An audit involves evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

I performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001 and Australian Accounting, a view which is consistent with our understanding of the Federation's financial position, of its performance as represented by the results of its operations, changes in equity and cash flow.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Audit Opinion**

In my opinion, the financial report of The Australian Federation of Travel Agents Limited is in accordance with:

- (a) the Corporations Act 2001, including:
  - (i) giving a true and fair view of the Federation's financial position as at 31 March 2009 and of its performance for the year ended on that date, and
  - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- (b) other mandatory financial reporting requirements in Australia.

Signed at Sydney on 3 June 2009



**JOHN JAMES MASSELOS**  
**Chartered Accountant**

Liability is limited by a Scheme approved under the professional Standards Legislation

**AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 307C OF  
THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF  
THE AUSTRALIAN FEDERATION OF TRAVEL AGENTS LIMITED**

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 March 2009 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

Signed at Sydney on 3 June 2009

  
**JOHN JAMES MASSELOS**  
**Chartered Accountant**

## CHAIRMEN

<i>Car Buerckner</i>	2007-2009
<i>Bob Steel</i>	2006-2007
<i>Ian Carew-Reid</i>	2000-2005
<i>Phil Hoffmann</i>	1998-2000
<i>Byron Roberts</i>	1996-1998

## PRESIDENTS

<i>Phil Hoffmann</i>	1996-1992
<i>Jim Clements</i>	1992
<i>Adrian Miller</i>	1990-1992
<i>Greg Underdown</i>	1989-1990
<i>Os Pitts</i>	1984-1987
<i>Case Muskens</i>	1981-1984
<i>Eric Grimes</i>	1979-1981
<i>John Webb</i>	1978-1979\
<i>Case Muskens</i>	1976-1978
<i>Jim Russell</i>	1974-1976
<i>Jim Jenkins</i>	1972-1974
<i>Murray Quartermaine</i>	1971-1972
<i>Os Pitts</i>	1969-1971
<i>John Tyerman</i>	1967-1969
<i>Max Wilson</i>	1965-1967
<i>Stewart Moffat</i>	1963-1965
<i>Roy King</i>	1962-1963
<i>Stewart Moffat</i>	1959-1961
<i>Frank Johnson</i>	1957-1959

## **LIFE MEMBERS**

*Marie Allom*

*Ian Carew-Reid*

*Jim Clements*

*John Dart*

*Mike Hatton*

*Phil Hoffmann*

*Roy King*

*Peter Lowry*

*John Masselos*

*Mario Perrone*

*Os Pitts*

*Bob Steel*

## **PAST LIFE MEMBERS**

*John Cooper*

*Jim Jenkins*

*Frank Johnson*

*Max Krumbeck*

*Stewart Moffat*

*Jim Russell*

*Beverley Wills*