Australian Government
Registered Organisations Commission

18 January 2023

Robbie Griffiths
President
Australian Trainers' Association

Sent via email: ata@austrainers.com.au
CC: sc@jtpassurance.com.au

Dear Robbie Griffiths,

Australian Trainers' Association
Financial Report for the year ended 30 June 2022 – (FR2022/62)

I acknowledge receipt of the financial report for the year ended 30 June 2022 for the Australian Trainers' Association. The documents were lodged with the Registered Organisations Commission (the ROC) on 21 December 2022.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (**RO Act**) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines (**RGs**) have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2023 may be subject to an advanced compliance review.

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

<u>Documents must be lodged with ROC within 14 days after general meeting</u>

Section 268 of the RO Act requires a copy of the full report and the designated officer's certificate to be lodged with the ROC within 14 days after the general meeting of members referred to in section 266.

The designated officer's certificate indicates that this meeting occurred on 30 November 2022. If this is correct the documents should have been lodged with the ROC by 14 December 2022.

The full report was not lodged until 21 December 2022.

If this date is correct, the reporting unit should have applied to the Commissioner for an extension of time to allow a longer period to lodge the required documents.

Please note that in future financial years if the reporting unit cannot lodge within the 14 day period prescribed, a written request for an extension of time, signed by a relevant officer, including any reason for the delay, must be made *prior to* the expiry of the 14 day period.

Reports must be provided to members at least 21 days before general meeting

Under section 265(5)(a) of the RO Act, where the report is presented to a general meeting of members, the report must be provided to members at least 21 days before that meeting. The designated officer's certificate states that the financial report was provided to members on 21 November 2022 and presented to a general meeting of members on 30 November 2022.

If these dates are correct, the reporting unit only provided members the financial report 9 days before the general meeting.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements.

The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via this link.

If you have any queries regarding this letter, please contact me on (03) 9603 0988 or by email at Madeleine.Hurrell@roc.gov.au.

Yours sincerely

Madeleine Hurrell

Madeleine Hurrell
Financial Reporting Officer
Registered Organisations Commission

AUSTRALIAN TRAINERS' ASSOCIATION

FEDERAL BRANCH

CERTIFICATE OF PRESCRIBED DESIGNATED OFFICER

SECTION 268 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

I, Robbie Griffiths, President of the Australian Trainers' Association, Federal Branch, certify:

- that the documents lodged herewith are copies of the full report for the Australian Trainers' Association, Federal Branch for the financial reporting year ending 30 June 2022, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and

- that the full report, was made available to members on the Australian Trainers' Association website from 21st of November 2022; and

- that the full report, was presented to a general meeting of members of the reporting unit on 30th November 2022; in accordance with s266 of the Fair Work (Registered Organisations) Act 2009

Robbie Griffiths

Dated this 30th November 2022

AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH
ABN 86 182 142 206

AUDITED FINANCIAL STATEMENTS
For the Year Ended 30 June 2022

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OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2022

The Committee of Management presents its operating report on the consolidated financial statements of Australian Trainers' Association Federal Branch (Reporting Unit) and other reporting units and entities controlled by the Association hereinafter all referred to as (Organisation) for the financial year ended 30 June 2022.

PRINCIPAL ACTIVITY

The principal activity of the Organisation is to service the needs of the members and to protect, promote and provide advice in the interests of trainers on issues affecting the horse racing industry.

No significant change in the nature of these activities occurred during the financial year ended 30 June 2022.

RESULTS AND REVIEW OF OPERATIONS

The consolidated net income for the financial year amounted to $334,758 (2021: $25,527 net income).

A review of the operations of the Organisation during the financial year shows no significant change in the nature of these activities.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

No significant changes in the Organisation's state of affairs occurred during the financial year.

FUTURE DEVELOPMENTS

Likely developments in the operations of the Organisation and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Organisation.

EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Organisation, the results of those operations, or the state of affairs of the Organisation in future financial years.

MEMBERSHIP

The number of members of the Reporting Unit was 1,046 (2021: 1,102).

RESIGNATION FROM MEMBERSHIP

Members have the right to resign from the Association in accordance with rule of membership 7a, which reads as follows:

"A member of the Australian Trainers' Association may resign from membership by written notice addressed and delivered to the Chief Executive Officer of the Association."

EMPLOYEES

The number of employees of the Reporting Unit at financial year ended 30 June 2022 were:
8 full-time
1 part-time

OPERATING REPORT *continued*
FOR THE YEAR ENDED 30 JUNE 2022

MEMBERS OF THE COMMITTEE OF MANAGEMENT
The names of the Federal Executive Officers and Chief Executive Officer who have held office at any time during the year are:

Robbie Griffiths, President	Gary Searle
Richard Jolly, Vice President	Nigel Schuuring
Patrick Duff, Vice President	Andrew Nicholl, Chief Executive Officer
Pat Carey	

The above Officers have held office throughout the financial year unless otherwise indicated.

TRUSTEE OR DIRECTOR OF SUPERANNUATION ENTITY
No officer or member of the Federal Executive of the Reporting Unit is a director or a trustee of a superannuation entity or an exempt public sector superannuation scheme; or a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation.

INDEMNIFYING OFFICER OR AUDITOR
The Organisation has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the Organisation;

Indemnified or made any relevant agreement for indemnifying against a liability incurred by an officer or auditor, including costs and expenses in successfully defending legal proceedings; or

Paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer or auditor for the costs or expenses to defend legal proceedings.

With exception of the following matters.
During the financial year the Organisation has paid premiums to insure all officers of the Organisation and members of the Federal Executive against liabilities for costs and expense incurred by them in defending any legal proceeding arising out of their conduct while acting in the capacity of the officers of the Organisation, other than conduct involving a wilful breach of duty.

PROCEEDINGS ON BEHALF OF THE ORGANISATION
No person has applied for leave of Court to bring proceedings on behalf of the Organisation or intervene in any proceedings to which the Organisation is a party for the purpose of taking responsibility on behalf of the Organisation for all or any part of those proceedings. The Organisation was not a party to any such proceedings during the year.

Signed on behalf of the Committee of Management.

ROBBIE GRIFFITHS
President

Dated this 27th day of October 2022

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Melbourne, VIC 3000
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VIC 8007

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Australian Trainers' Association
ABN 86 182 142 206

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
Australian Trainers' Association

Report on the Financial Report

Opinion

We have audited the financial report of the Australian Trainers' Association Federal Branch and Controlled Entities, which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, Committee of Management Statement the subsection 255(2A) report and the Officers Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Trainers Association Federal Branch and Controlled Entities as at 30 June 2022, and its financial performance and its cash flows for the year ended on that date in accordance with:

(i) the Australian Accounting Standards; and
(ii) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisation) Act 2009 (the RO Act)

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

INFORMATION OTHER THAN THE FINANCIAL REPORT AND AUDITOR'S REPORT THEREON

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with the audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Further information about our responsibilities can be found at http://www.auasb.gov.au/Home.aspx

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

I declare that I am an auditor registered under the RO Act 2009.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of section 257(7) of the RO Act, I am required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act.

JTP ASSURANCE
Chartered Accountants

JTP Assurance

Sam Claringbold
Partner

Signed at Melbourne this 28th day of October 2022

RO Act Registration number: AA2021/41
ASIC Registration Number: 339238
Professional Organisation: The Institute of Chartered Accountants in Australia
Professional Membership Number: 41105

COMMITTEE OF MANAGEMENT STATEMENT

On 27th day of October 2022 the Committee of Management of the Australian Trainers' Association - Federal Branch (Reporting Unit) passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2022:

The Committee of Management declares that in its opinion:

(a) the financial statements and notes comply with the Australian Accounting Standards;
(b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
(c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Reporting Unit for the financial year to which they relate;
(d) there are reasonable grounds to believe that the Reporting Unit will be able to pay its debts as and when they become due and payable; and
(e) during the financial year to which the GPFR relates and since the end of that year:
    (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
    (ii) the financial affairs of the Reporting Unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
    (iii) the financial records of the Reporting Unit have been kept and maintained in accordance with the RO Act; and
    (iv) the financial records of the Reporting Unit have been kept, as far as practicable, in a consistent manner with the other reporting units of the organisation; and
    (v) no information has been sought in any request by a member of the Reporting Unit or Commissioner duly made under section 272 of the RO Act; and
    (vi) the Reporting Unit has not received an order for inspection of financial records made by the Fair Work Commission under section 273 of the RO Act.

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

Signed on behalf of the Committee of Management.

ROBBIE GRIFFITHS
President

Dated this 27th day of October 2022

OFFICER DECLARATION STATEMENT

I, Robbie Griffiths, being the President of the Australian Trainers' Association Federal Branch (Reporting Unit), declare that the following activities did not occur during the reporting period ending 30 June 2022.

The Reporting Unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern
- agree to provide financial support to another reporting unit to ensure they continue as a going concern
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees to another reporting unit
- pay affiliation fees to other entity
- pay compulsory levies
- pay legal costs relating to litigation
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have another entity administer the financial affairs of the Reporting Unit
- make a payment to a former related party of the Reporting Unit

ROBBIE GRIFFITHS
President

Dated this 27th day of October 2022

EXPENDITURE REPORT
SUBSECTION 255(2A)
For the year ended 30 June 2022

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2022.

	Consolidated entity		Parent entity	
CATEGORIES OF EXPENDITURES	**2022** **$**	2021 $	**2022** **$**	2021 $
Remuneration and other employment – related costs and expenses -employees (Note 5)	1,074,638	1,166,593	732,707	818,966
Advertising - marketing/sponsorship	51,947	43,601	50,404	40,222
Operating costs	461,760	473,039	351,235	374,086
Donations to political parties	-	-	-	-
Legal Costs	4,215	3,285	4,215	3,285
	1,592,560	**1,686,518**	**1,138,561**	**1,236,559**

ROBBIE GRIFFITHS
President

Dated this 27th day of October 2022

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

		Consolidated entity		Parent entity	
		2022	2021	**2022**	2021
	Notes	**$**	$	**$**	$
REVENUE FROM CONTRACTS WITH CUSTOMERS					
Membership subscriptions		191,747	176,458	191,747	176,458
Membership services		132,254	122,370	132,254	122,370
Administration fees -other reporting units	*12*	-	-	114,500	108,500
Administration fees -other parties		171,000	150,000	171,000	150,000
Marketing/Sponsorship income		149,908	147,130	149,908	147,130
Advertising income		4,620	5,820	-	-
Total revenue from contracts with customers		**649,529**	**601,778**	**759,409**	**704,458**
OTHER INCOME					
Gain on sale of fixed assets	*4*	8,455	13,675	-	13,675
Government Assistance/Stimulus		-	221,700	-	221,700
Industry support		20,000	15,000	20,000	15,000
Interest received – bank	*4*	1,078	2,559	95	216
Paget distribution		134,137	201,206	134,137	201,206
Rental income	*4*	-	-	84,000	84,000
Subsidiary gross contribution		636,990	651,849	-	-
Sundry income		2,129	4,278	54	941
Total other income		**802,789**	**1,110,267**	**238,286**	**536,738**
Total income		**1,452,318**	**1,712,045**	**997,695**	**1,241,196**
EXPENSES					
Airfares and travel		606	443	-	-
Auditor's remuneration	*13*	32,150	36,050	15,600	19,600
Bad debts written off		161	238	161	-
Bank and merchant charges		1,248	708	1,154	572
Computer expenses		18,889	16,082	16,539	15,184
Conferences		4,792	4,473	4,502	4,406
Consultancy fees		51,252	55,876	51,252	55,876
Depreciation	*5*	22,870	26,255	5,721	25,497
Doubtful debts	*6*	(560)	13,560	(560)	3,560
Employee entitlements	*5*	111,038	100,596	78,340	71,531
Fringe benefits and payroll tax		28,979	37,547	28,979	37,547
General expenses		12,131	2,371	304	1,062
Grants and/or donations	*5*	-	10,930	640	10,870

THE ABOVE STATEMENT SHOULD BE READ IN CONJUNCTION WITH THE NOTES.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

		Consolidated entity		Parent entity	
		2022	2021	**2022**	2021
	Notes	**$**	$	**$**	$
EXPENSES *(continued)*					
Honorarium		2,000	2,000	2,000	2,000
Insurance		35,205	31,350	7,885	7,375
Legal costs	*5*	4,215	3,285	4,215	3,285
Marketing/sponsorship expenses		51,947	43,601	50,404	40,222
Membership expenses		87,085	80,500	87,085	80,500
Motor vehicle expenses		61,851	61,551	24,308	26,824
Owner's corporate fees		6,931	6,793	-	-
Postage		333	469	333	469
Printing & stationery		2,747	3,763	1,494	1,990
Rates		6,692	5,711	-	-
Rebate - investment property		-	-	30,000	30,000
Rent & outgoings		39,003	31,060	35,691	27,307
Repairs & maintenance		5,028	6,061	-	185
Salaries & wages	*5*	855,747	938,450	575,775	648,964
Security costs		840	1,322	-	-
State branch expenses	*12*	50,672	47,304	50,672	47,304
Stock obsolescence provision	*6*	-	10,000	-	-
Subscriptions		113	555	113	555
Superannuation contributions	*5*	88,525	92,850	59,264	63,774
Telephone		4,051	8,750	2,805	6,623
Work cover insurance		6,019	6,014	3,885	3,477
Total expenses		**1,592,560**	**1,686,518**	**1,138,561**	**1,236,559**
Surplus/(deficit) before income tax		(140,242)	25,527	(140,866)	4,637
Income Tax Expense	*1.17*	-	-	-	-
Surplus/(deficit) for the year after income tax		**(140,242)**	**25,527**	**(140,866)**	**4,637**

OTHER COMPREHENSIVE INCOME/LOSS
Items that will not be subsequently reclassified to profit or loss

Gain/(loss) on revaluation of land & buildings	*7*	475,000	-	475,000	-
Total comprehensive income/(deficit) for the year		**334,758**	**25,527**	**334,134**	**4,637**

THE ABOVE STATEMENT SHOULD BE READ IN CONJUNCTION WITH THE NOTES.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

		Consolidated entity		Parent entity	
		2022	2021	**2022**	2021
	Notes	**$**	$	**$**	$
ASSETS					
Current assets					
Cash and cash equivalents	*6*	699,679	1,057,284	435,130	791,922
Trade and other receivables	*6*	947,446	177,805	787,645	62,300
Inventories	*6*	338,542	345,801	-	-
Other current assets	*6*	24,403	18,015	9,039	6,044
Total current assets		**2,010,070**	**1,598,905**	**1,231,814**	**860,266**
Non-current assets					
Trade and other receivables	*7*	-	-	304,335	162,265
Financial assets	*7*	-	-	400,000	400,000
Investment property	*7*	2,275,000	1,800,000	2,275,000	1,800,000
Plant and equipment	*7*	93,000	6,658	1,837	6,658
Total non-current assets		**2,368,000**	**1,806,658**	**2,981,172**	**2,368,923**
TOTAL ASSETS		**4,378,070**	**3,405,563**	**4,212,986**	**3,229,189**
LIABILITIES					
Current liabilities					
Trade and other payables	*8*	1,139,201	543,602	1,023,849	412,145
Provisions	*9*	423,620	358,474	313,442	256,902
Total current liabilities		**1,562,821**	**902,076**	**1,337,291**	**669,047**
Non-current liabilities					
Provisions	*9*	5,206	28,202	5,206	23,787
Total non-current liabilities		**5,206**	**28,202**	**5,206**	**23,787**
TOTAL LIABILITIES		**1,568,027**	**930,278**	**1,342,497**	**692,834**
NET ASSETS		**2,810,043**	**2,475,285**	**2,870,489**	**2,536,355**
MEMBERS' FUNDS					
Accumulated funds		2,810,043	2,475,285	2,870,489	2,536,355
TOTAL MEMBERS' FUNDS		**2,810,043**	**2,475,285**	**2,870,489**	**2,536,355**

THE ABOVE STATEMENT SHOULD BE READ IN CONJUNCTION WITH THE NOTES.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Retained Earnings $	Total Equity $
CONSOLIDATED		
Closing balance as at 30 June 2020	**2,449,758**	**2,449,758**
Transfer to/from branch - ATA Western Australia branch	658	658
Transfer to/from subsidiary - Racing Supplies	20,232	20,232
Surplus / (Deficit) attributable to members	4,637	4,637
Closing balance as at 30 June 2021	**2,475,285**	**2,475,285**
Transfer to/from branch - ATA Western Australia branch	(932)	(932)
Transfer to/from subsidiary - Racing Supplies	1,556	1,556
Surplus / (Deficit) attributable to members	(140,866)	(140,866)
Other comprehensive income/(loss)	475,000	475,000
Closing balance as at 30 June 2022	**2,810,043**	**2,810,043**

	Retained Earnings $	Total Equity $
PARENT		
Balance at 30 June 2020	**2,531,718**	**2,531,718**
Surplus / (Deficit) attributable to members	4,637	4,637
Other comprehensive income/(loss)	-	-
Balance at 30 June 2021	**2,536,355**	**2,536,355**
Surplus / (Deficit) attributable to members	(140,866)	(140,866)
Other comprehensive income/(loss)	475,000	475,000
Balance at 30 June 2022	**2,870,489**	**2,870,489**

THE ABOVE STATEMENT SHOULD BE READ IN CONJUNCTION WITH THE NOTES.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Consolidated entity		Parent entity	
		2022	2021	**2022**	2021
		$	$	**$**	$
OPERATING ACTIVITIES					
Cash received					
Receipts from customers		2,493,419	3,363,022	73,757	1,013,126
Receipts from other reporting units/controlled entity(s)	12	-	-	198,500	192,500
Interest received	4	1,078	2,559	95	216
Cash used					
Employees		(1,084,289)	(1,169,444)	(742,359)	(821,817)
Suppliers		(1,667,056)	(1,881,546)	256,825	(41,252)
Payment to other reporting units/controlled entity(s)	12	-	-	(640)	(870)
Net cash provided by (used in) operating activities	10	**(256,848)**	**314,591**	**(213,822)**	**341,903**
INVESTING ACTIVITIES					
Cash used					
Purchase of plant & equipment	7	(109,212)	(3,526)	(900)	(2,768)
Gain on sale of assets		8,455	-	-	13,675
Net cash provided by (used in) investing activities		**(100,757)**	**(3,526)**	**(900)**	**10,907**
FINANCING ACTIVITIES					
Cash received / (used)					
Repayment from (loan to) Racing Supplies Pty Ltd	12	-	-	(142,070)	(42,354)
Net cash provided by (used in) financing activities		**-**	**-**	**(142,070)**	**(42,354)**
Net increase (decrease) in cash held		**(357,605)**	**311,065**	**(356,792)**	**310,456**
Cash & cash equivalents at the beginning of reporting period		1,057,284	746,219	791,922	481,466
Cash & cash equivalents at the end of reporting period	6	**699,679**	**1,057,284**	**435,130**	**791,922**

THE ABOVE STATEMENT SHOULD BE READ IN CONJUNCTION WITH THE NOTES.

INDEX TO THE NOTES OF THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report covers the Australian Trainers' Association Federal Branch (Reporting Unit) a not-for-profit entity registered under the Fair Work (Registered Organisations) Act 2009 (the RO Act) domiciled in Australia with other reporting units and entities controlled by the Reporting Unit hereinafter referred to as (Organisation).

1.1 Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009 (**RO Act**). For the purpose of preparing the general purpose financial statements, the Reporting Unit is a not-for-profit entity.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Reporting Unit and its controlled entities; Australian Trainers' Association Western Australia branch - reporting unit; and Racing Supplies Pty Limited - wholly-owned subsidiary of the Reporting Unit. Control is achieved where the Reporting Unit is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over its controlled entities.

Specifically, the Reporting Unit controls an investee if and only if the Reporting Unit has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

When the Reporting Unit has less than a majority of the voting or similar rights of an investee, the Reporting Unit considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- Relevant activities of the investee and who has control over them
- Existing or future administrative or statutory arrangements that may give rise to rights/control (or change the previous control assessment)
- Whether rights are substantive or protective in nature and whether rights presently exercisable or will be exercisable when decisions about relevant activities are being made
- Exposure or rights to financial and non-financial returns (direct or indirect) and the ability to influence those returns
- Whether the investor is exercising its decision-making abilities as a principal or agent
- Rights arising from other contractual arrangements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued…*

1.2 Basis of Consolidation *continued…*

The Reporting Unit re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Reporting Unit obtains control over the subsidiary and ceases when the Reporting Unit loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Reporting Unit gains control until the date the Reporting Unit ceases to control the subsidiary.

Income and expense of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Reporting Unit and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Reporting Unit.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Reporting Unit ownership interests in subsidiaries that do not result in the Reporting Unit losing control are accounted for as equity transactions. The carrying amounts of the Reporting Unit interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Reporting Unit.

When the Reporting Unit loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Reporting Unit had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under *AASB 139 'Financial Instruments: Recognition and Measurement'* or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued…*

1.3 Comparative Amounts

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

1.4 Significant Accounting Judgements and Estimates

The Reporting Unit evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data.

Key estimates

Impairment of assets

The Reporting Unit assesses impairment at each reporting date by evaluating conditions specific to the Reporting Unit that may lead to impairment of assets. When the impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs to sell or current replacement costs calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Employee benefits

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. The Reporting Unit expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

1.5 Adoption of New Australian Accounting Standard Requirements

The accounting policies adopted are consistent with those of the previous financial year.

Future Australian Accounting Standard Requirements

The Reporting Unit has assessed the impact of new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period and is not expecting a significant impact on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued…*

1.6 Revenue

The Reporting Unit enters into various arrangements where it receives consideration from another party. These arrangements generally include consideration in the form of membership subscriptions and related service fees, marketing and sponsorship income, administration fees, advertising and other income.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the Reporting Unit has a contract with a customer, the Reporting Unit recognises revenue when or as it transfers control of goods or services to the customer. The Reporting Unit accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

Income

Membership Subscriptions income is accounted for on an accrual basis and is recorded as income in the year to which it relates. Membership Services and Marketing income is for the rendering of services provided and/or sale of goods recognised upon their respective delivery. Administration fees income and Sponsorship income are recognized on an accrual basis over the term of the relevant agreement.

Other Income

Interest received is recognised on an accrual basis taking into account the effective interest method. Paget distribution is recognised upon receipt of distribution. Rental income from a month to month lease is recognised on a straight-line basis. Subsidiary gross contribution relates to the rendering of services provided and/or sale of goods recognised upon their respective delivery. Government Assistance/Stimulus in response to COVID-19 relates to JobKeeper Subsidy, Cash Flow Stimulus and Payroll Tax Relief accounted for on an accrual basis and is recorded as income in the year to which it relates.

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued…*

1.7 Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the Reporting Unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments when it is probable that settlement will be required and they are capable of being measured reliably. The Reporting Unit recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

The Reporting Unit's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the Reporting Unit does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

1.8 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of twelve (12) months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

1.9 Financial Instruments

Financial assets and financial liabilities are recognised when the Reporting Unit becomes a party to the contractual provisions of the instrument.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued…*

1.10 Financial Assets

Contract assets and receivables

A contract asset is recognised when the Reporting Unit's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Reporting Unit's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Reporting Unit's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Reporting Unit initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Reporting Unit's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Reporting Unit commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued…*

1.10 Financial Assets *continued…*

Financial assets at amortised cost

The Reporting Unit measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (**EIR**) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Reporting Unit's financial assets at amortised cost includes trade receivables and loans to related parties.

Financial assets at fair value through other comprehensive income

The Reporting Unit measures debt instruments at fair value through other comprehensive income (**OCI**) if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost.

The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Reporting Unit's debt instruments at fair value through other comprehensive income includes investments in quoted debt instruments included under other non-current financial assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued…*

1.10 Financial Assets *continued…*

Investments in equity instruments designated at fair value through other comprehensive income

Upon initial recognition, the Reporting Unit can elect to classify irrevocably its equity investments as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity under AASB 132 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, except when the Reporting Unit benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

The Reporting Unit elected to classify irrevocably its listed and non-listed equity investments under this category.

Financial assets at fair value through profit or loss (including designated)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued…*

1.10 Financial Assets *continued…*

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Reporting Unit has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
    a) the Reporting Unit has transferred substantially all the risks and rewards of the asset, or
    b) the Reporting Unit has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Reporting Unit has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Reporting Unit continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

Expected credit losses

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses (ECLs) at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

(i) Trade receivables

For trade receivables that do not have a significant financing component, the Reporting Unit applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Reporting Unit does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Reporting Unit has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued…*

1.10 Financial Assets *continued…*

Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Reporting Unit recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Reporting Unit expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Reporting Unit considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Reporting Unit may also consider a financial asset to be in default when internal or external information indicates that the Reporting Unit is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued…*

1.11 Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

Subsequent measurement

Financial liabilities at fair value through profit or loss (including designated)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 *Financial Instruments* are satisfied.

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued…*

1.12 Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Reporting Unit transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Reporting Unit performs under the contract (i.e., transfers control of the related goods or services to the customer).

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Reporting Unit refund liabilities arise from customers' right of return. The liability is measured at the amount the Reporting Unit ultimately expects it will have to return to the customer. The Reporting Unit updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

1.13 Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued…*

1.14 Plant and Equipment

Asset recognition threshold

Purchases of plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Depreciation

Depreciable plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

Class of Asset	Useful Life
Computer hardware	***4 years***
Computer software	***3 years***
Leasehold improvements	***3 - 14 years***
Motor vehicles	***5 years***
Office furniture & equipment	***3 - 6.5 years***
Plant and equipment	***3 - 8 years***

Derecognition

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

1.15 Investment Property

Investment property, comprising a warehouse/retail site is held to earn long-term rental yields and/or for capital appreciation. Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued…*

1.16 Impairment for non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Reporting Unit estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Reporting Unit were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.17 Taxation

The Reporting Unit is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT), Payroll Tax and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:
where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued…*

1.18 Fair value measurement

The Reporting Unit measures financial instruments, such as, financial assets as at fair value through the profit and loss, financial assets at fair value through OCI, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 16A.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Reporting Unit. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Reporting Unit uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Reporting Unit determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Reporting Unit has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued...*

1.19 Inventory

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Note 2 SECTION 272 FAIR WORK (Registered Organisations) Act 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of Members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272, which read as follows:

Information to be provided to members or Commissioner:

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

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application made under subsection (1).

Note 3 EVENTS AFTER THE REPORTING PERIOD

As the residual economic and logistical challenges following the COVID-19 outbreak remains an ongoing concern, as at the date of these financial statements, the Reporting Unit is not in a position to reasonably estimate the financial effects following the COVID-19 outbreak on the future financial performance and financial position of the Reporting Unit.

Other than the current disclosures, there has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Reporting Unit, the results of those operations, or the state of affairs of the Reporting Unit in subsequent financial periods.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated entity		Parent entity	
	2022	2021	**2022**	2021
	$	$	**$**	$
Note 4 REVENUE & INCOME				
NET GAINS FROM SALE OF ASSETS				
Plant and equipment	8,455	13,675	-	13,675
Total net gain from sale of assets	**8,455**	**13,675**	**-**	**13,675**
INTEREST				
Deposits	1,078	2,559	95	216
Total interest	**1,078**	**2,559**	**95**	**216**
RENTAL INCOME				
Investment Property	-	-	84,000	84,000
Total rental income	**-**	**-**	**84,000**	**84,000**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated entity		Parent entity	
	2022	2021	**2022**	2021
	$	$	**$**	$
Note 5 EXPENSES				
EMPLOYEE EXPENSES				
Holders of office:				
Salaries and wages	202,038	202,831	202,038	202,831
Superannuation	20,679	20,283	20,679	20,283
Leave and other entitlements	29,324	23,074	29,324	23,074
Separation and redundancies	-	-	-	-
Other employee expenses	7,932	7,367	7,932	7,367
Sub-total employee expenses - holders of office	**259,973**	**253,555**	**259,973**	**253,555**
Employees other than office holders:				
Salaries and wages	653,709	735,619	373,737	446,133
Superannuation	67,846	72,567	38,585	43,491
Leave and other entitlements	81,714	77,522	49,016	48,457
Separation and redundancies	-	-	-	-
Other employee expenses	11,396	27,330	11,396	27,330
Sub-total employee expenses - employees other than holders of office	**814,665**	**913,038**	**472,734**	**565,411**
Total employee expenses	**1,074,638**	**1,166,593**	**732,707**	**818,966**

Holders of office paid an Honorarium:

Robbie Griffiths, President – Federal branch

Reported on the Parent entity's Statement of Comprehensive Income.

Holders of office:

No Federal Executive Officer has been paid remuneration during the financial year.

Federal Executive Officers that have held office throughout the financial year are reported in the Operating Report.

Holders of office paid remuneration:

Andrew Nicholl, Chief Executive Officer – Federal Branch

Payment to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit:

Total allowances	848	2,867	848	2,867
Total fees	-	-	-	-
Total allowances and fees	**848**	**2,867**	**848**	**2,867**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated entity		Parent entity	
	2022	2021	**2022**	2021
	$	$	**$**	$
Note 5 EXPENSES *(continued)*				
GRANTS AND/OR DONATIONS				
Grants				
Total paid that were $1,000 or less	-	-	640	870
Total paid that exceeded $1,000	-	10,000	-	10,000
Donations				
Total paid that were $1,000 or less	-	930	-	-
Total paid that exceeded $1,000	-	-	-	-
Total grants or donations	**-**	**10,930**	**640**	**10,870**
DEPRECIATION				
Computer hardware	-	2,768	-	2,768
Computer software	3,750	3,600	3,750	3,600
Motor vehicles	17,149	17,308	-	17,308
Office furniture and equipment	1,971	2,579	1,971	1,821
Total depreciation	**22,870**	**26,255**	**5,721**	**25,497**
LEGAL COSTS				
Other legal matters	4,215	3,285	4,215	3,285
Total legal costs	**4,215**	**3,285**	**4,215**	**3,285**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated entity		Parent entity	
	2022	2021	**2022**	2021
	$	$	**$**	$
Note 6 CURRENT ASSETS				
CASH AND CASH EQUIVALENTS				
Cash at Bank	440,602	798,926	435,030	791,822
Term Deposits	258,477	257,758	-	-
Petty Cash Imprest	600	600	100	100
Total cash and cash equivalents	**699,679**	**1,057,284**	**435,130**	**791,922**
TRADE AND OTHER RECEIVABLES				
Trade receivables				
Trade Receivables	970,435	200,022	790,064	63,265
Less: Provision for Doubtful Debts	(25,000)	(25,560)	(5,000)	(5,560)
Total trade receivables	**945,435**	**174,462**	**785,064**	**57,705**
Other Receivables				
Other receivable	2,011	3,343	475	2,910
Total trade and other receivables	**947,446**	**177,805**	**785,539**	**60,615**
Receivables from other reporting unit(s)				
ATA Western Australia branch	-	-	2,106	1,685
Total receivables from other reporting unit(s)	**-**	**-**	**2,106**	**1,685**
Total receivables	**947,446**	**177,805**	**787,645**	**62,300**
INVENTORIES				
Inventory	378,542	385,801	-	-
Less: Provision for inventory obsolescence	(40,000)	(40,000)	-	-
Total inventories	**338,542**	**345,801**	**-**	**-**
OTHER CURRENT ASSETS				
Prepayments	24,403	18,015	9,039	6,044
Total other current assets	**24,403**	**18,015**	**9,039**	**6,044**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated entity		Parent entity	
	2022	2021	**2022**	2021
	$	$	**$**	$
Note 7 NON-CURRENT ASSETS				
NON-CURRENT RECEIVABLES				
Racing Supplies Pty Ltd – subsidiary	-	-	304,335	162,265
Total non-current receivables	**-**	**-**	**304,335**	**162,265**
PLANT AND EQUIPMENT				
Computer Hardware at cost	53,306	53,306	53,306	53,306
Less accumulated depreciation	(53,306)	(53,306)	(53,306)	(53,306)
	-	**-**	**-**	**-**
Computer Software at cost	35,312	34,412	35,312	34,412
Less accumulated depreciation	(33,475)	(29,725)	(33,475)	(29,725)
	1,837	**4,687**	**1,837**	**4,687**
Leasehold improvements at cost	96,947	96,947	-	-
Less accumulated depreciation	(96,947)	(96,947)	-	-
	-	**-**	**-**	**-**
Motor Vehicles at cost	191,630	159,955	69,234	69,234
Less accumulated depreciation	(100,467)	(159,955)	(69,234)	(69,234)
	91,163	**-**	**-**	**-**
Office furniture and equipment at cost	52,927	52,927	45,496	45,496
Less accumulated depreciation	(52,927)	(50,956)	(45,496)	(43,525)
	-	**1,971**	**-**	**1,971**
Plant and equipment at cost	44,913	44,913	-	-
Less accumulated depreciation	(44,913)	(44,913)	-	-
	-	**-**	**-**	**-**
Total plant and equipment	**93,000**	**6,658**	**1,837**	**6,658**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated entity		Parent entity	
	2022	2021	**2022**	2021
	$	$	**$**	$
Note 7 NON-CURRENT ASSETS *(continued)*				
PLANT AND EQUIPMENT				
Reconciliation of the opening and closing balances of plant and equipment				
As at 1 July				
Gross book value	442,459	524,063	202,447	277,197
Accumulated depreciation and impairment	(435,801)	(494,676)	(195,789)	(247,810)
Net book value 1 July	**6,658**	**29,387**	**6,658**	**29,387**
ADDITIONS				
By purchase	109,212	3,526	900	2,768
Depreciation expense	(22,870)	(26,255)	(5,721)	(25,497)
DISPOSALS				
Gross book value	(76,637)	(85,130)	-	(77,518)
Accumulated depreciation	76,637	85,130	-	77,518
Net book value at 30 June	**93,000**	**6,658**	**1,837**	**6,658**
Net book value as of 30 June represented by				
Gross book value	475,034	442,459	203,347	202,447
Accumulated depreciation and impairment	(382,034)	(435,801)	(201,510)	(195,789)
Net book value 30 June	**93,000**	**6,658**	**1,837**	**6,658**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated entity		Parent entity	
	2022	2021	**2022**	2021
	$	$	**$**	$
Note 7 NON-CURRENT ASSETS *(continued)*				
FINANCIAL ASSETS				
Shares in subsidiary - at fair value	**-**	-	400,000	400,000
Total investment - shares in subsidiary	**-**	**-**	**400,000**	**400,000**

Subsidiary: ***Racing Supplies Pty Ltd***

Country of incorporation: ***Australia***

Percentage owned: **100**% (2021: **100%)**

The investment in Racing Supplies Pty Ltd, a wholly owned subsidiary company is $400,000.

The Committee of Management recognises the challenges as reported at Note 3 that may affect revenue and margins. For its investment of shares in its subsidiary, the Reporting Unit also takes into account a market participants ability to generate economic benefits, selling to another market participant and the economic conditions prevailing at the time to establish a fair value measurement. Following review of the investment, the holding value was considered to be fair value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated entity		Parent entity	
	2022	2021	**2022**	2021
	$	$	**$**	$
Note 7 NON-CURRENT ASSETS *(continued)*				
INVESTMENT PROPERTY				
Opening balance as at 1 July	1,800,000	1,800,000	1,800,000	1,800,000
Net gain from fair value adjustment	475,000	-	475,000	-
Total investment property	**2,275,000**	**1,800,000**	**2,275,000**	**1,800,000**

The Reporting Unit accounts for its investment property based on the relevant Significant Accounting Policies {Note 1} that the Reporting Unit has adopted.

The investment property was purchased on June 2005.

A market valuation of the investment property was performed October 2022 by Charter Keck Cramer Pty Ltd (**CKC**), an accredited independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of the investment property being valued. The fair value of completed investment property has been determined on a market value basis in accordance with International Valuation Standards, as set out by the International Standards Committee.

CKC assessed the fair market value based on the primary method of Direct Sales Comparison - Improved and secondary method of Income Capitalisation. The Highest and Best use of the investment property is not considered to be different from its current use. The market valuation for the investment property is reported at $2,275,000. The market valuation for net rental of the investment property is reported at the amount of $113,625 per annum excluding outgoings.

The Executives are satisfied that the current reported value of the property reflects the fair value, notwithstanding the effects of COVID-19 as stated in Note 3.

The Reporting Unit does not have any contractual obligations to perform works in relation to the investment property. The Reporting Unit has obligations as a member of an Owners Corporation as the investment property is part of a plan of subdivision containing common property.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated entity		Parent entity	
	2022	2021	**2022**	2021
	$	$	**$**	$
Note 8 CURRENT LIABILITIES				
TRADE PAYABLES				
Trade payables	892,530	57,145	863,250	3,731
Total trade payables	**892,530**	**57,145**	**863,250**	**3,731**

Settlement is usually made within 30 days from end of month.

OTHER PAYABLES				
Audit fees	32,800	36,050	17,900	21,200
Sundry payables	124,418	132,456	55,496	71,513
Deferred income	29,976	302,114	27,726	299,864
Membership income in advance	59,477	15,837	59,477	15,837
Total other payables	**246,671**	**486,457**	**160,599**	**408,414**

Expected to be settled in no more than 12 months.

Total trade and other payables	**1,139,201**	**543,602**	**1,023,849**	**412,145**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated entity		Parent entity	
	2022	2021	**2022**	2021
	$	$	**$**	$
Note 9 PROVISIONS				
EMPLOYEE PROVISIONS				
Office Holders				
Annual leave	47,977	34,228	47,977	34,228
Long service leave	23,274	19,707	23,274	19,707
Related on-costs	13,058	6,502	13,058	6,502
Separations and redundancies	-	-	-	-
	84,309	60,437	84,309	60,437
Accrued wages and related on-costs	-	7,844	-	7,844
Sub-total employee provisions – office holders	**84,309**	**68,281**	**84,309**	**68,281**
Employees other than office holders				
Annual leave	197,004	166,202	150,383	128,666
Long service leave	97,502	89,032	49,087	42,456
Related on-costs	50,011	39,830	34,869	28,195
Separations and redundancies	-	-	-	-
	344,517	295,064	234,339	199,317
Accrued wages and related on-costs	-	23,330	-	13,091
Sub-total employee provisions – employees other than office holders	**344,517**	**318,394**	**234,339**	**212,408**
Total employee provisions	**428,826**	**386,675**	**318,648**	**280,689**

Current	423,620	358,473	313,442	256,902
Non-current	5,206	28,202	5,206	23,787
Total employee provisions	**428,826**	**386,675**	**318,648**	**280,689**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated entity		Parent entity	
	2022	2021	**2022**	2021
	$	$	**$**	$
Note 10 CASH FLOW				
CASH FLOW RECONCILIATION				
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:				
Cash and cash equivalents as per:				
Cash flow statement	699,979	1,057,284	435,130	791,922
Balance sheet	699,979	1,057,284	435,130	791,922
Difference	**-**	**-**	**-**	**-**
Reconciliation of profit/(deficit) to net cash from operating activities:				
Profit/(deficit) for the year	(140,242)	25,527	(140,866)	4,637
Adjustments for non-cash items				
Depreciation	22,870	26,255	5,721	25,497
Gain on sale of assets	(8,455)	-	-	(13,675)
Changes in assets/liabilities				
Decrease/(increase) in current receivables	(769,641)	32,509	(725,345)	(21,677)
Decrease/(increase) in inventories	7,259	(114,328)	-	-
Decrease/(increase) in other assets	(6,388)	14,684	(2,995)	15,463
Increase/(decrease) in current payables	595,599	292,149	611,704	324,650
Increase/(decrease) in current provisions	65,146	32,281	56,540	2,352
Increase/(decrease) in non-current provisions	(22,996)	5,514	(18,581)	4,656
Net cash from (used in) operating activities	**(256,848)**	**314,591**	**(213,822)**	**341,903**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 11 Contingent liabilities, assets and commitments

COMMITMENTS

Lease commitments – as lessee

The Reporting Unit has no future minimum rentals payable under the month-to-month lease as at 30 June of the reporting period. The Reporting Unit is obligated to monthly lease payments plus outgoings for its current head office space housed within the premises at 400 Epsom Road, Flemington Victoria 3031.

Lease commitments – as lessor

The Reporting Unit has no future minimum rentals receivable under the month-to-month lease as at 30 June of the reporting period. The Reporting Unit receives monthly rental for its investment property located at Warehouse 7 / 41 Sabre Drive, Port Melbourne Victoria 3207. The monthly rental is reviewed annually by the Reporting Unit with discretion to apply the greater of CPI or the fixed rate of 3% per annum.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 12 RELATED PARTY DISCLOSURES

Related party transactions for the reporting period

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

	Consolidated entity		Parent entity	
	2022	2021	**2022**	2021
	$	$	**$**	$
Revenue received from				
Receipts from other reporting units/ subsidiary				
Racing Supplies Pty Ltd				
Administration Fees	-	-	114,000	108,000
Rental	-	-	84,000	84,000
	-	-	**198,000**	**192,000**
ATA Western Australia Branch				
Administration Fees	-	-	**500**	**500**
Total receipts from other reporting units/subsidiary	-	-	**198,500**	**192,500**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated entity		Parent entity	
	2022	2021	**2022**	2021
	$	**$**	**$**	**$**
Note 12 RELATED PARTY DISCLOSURES *continued…*				
Related party transactions for the reporting period *continued…*				
Expenses paid to				
(a) **Racing Supplies Pty Ltd**	-	-	**30,000**	**30,000**
(b) **ATA Western Australia Branch**				
Grants paid	-	-	**640**	**870**
(c) **State Branch related expenses**				
EXPENSES DIRECTLY ATTRIBUTED TO STATE BRANCHES				
Queensland Branch	33,905	30,636	33,905	30,636
South Australia Branch	10,514	13,544	10,514	13,544
Tasmania Branch	2,201	1,257	2,201	1,257
Victoria Branch	4,052	1,867	4,052	1,867
Western Australia Branch	-	-	-	-
	50,672	**47,304**	**50,672**	**47,304**
Loans to related parties include the following:				
Racing Supplies Pty Ltd	-	-	304,335	162,265
Total loan receivable from related parties	-	-	**304,335**	**162,265**
Receivable from related parties include the following:				
ATA Western Australia branch	-	-	2,106	1,685
Total receivable from related parties	-	-	**2,106**	**1,685**

Terms and conditions of transactions with related parties

Transactions to/from related parties are predominantly for administrative expenses, grants for the purpose of providing services and funding expenses that are or would otherwise be attributed to a state branch, and rental in relation to the investment property. A rebate on the Investment Property leased to the controlled entity, Racing Supplies Pty Ltd was allowed this year $30,000 (2021: $30,000) for unoccupied area.

Following the commencement of the Personal Property Security Register (PPSR), on 30 January 2012 the loan to Racing Supplies Pty Ltd, previously secured by a Mortgage Debenture Charge was automatically transferred to the PPSR. There have been no guarantees provided or received for other related party receivables. For the reporting period ending 30 June, the Reporting Unit has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2021: $Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Loan to related party, Racing Supplies is in the nature of working capital finance and is not subject to interest and is repayable until such time it can afford to repay the loan.

Federal executive officers and employees have available to them discount of up to 10% in addition to members base discount for purchases from the related entity, Racing Supplies Pty Ltd.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated entity		Parent entity	
	2022	2021	**2022**	2021
	$	**$**	**$**	**$**
Note 12 RELATED PARTY DISCLOSURES *continued…*				
Key management personnel remuneration for the reporting period				
Short-term employee benefits				
Salary (Includes Leave Taken)	474,835	572,136	397,602	499,312
Annual leave accrued	43,322	46,550	35,861	40,043
Other employee expenses	19,328	34,696	19,328	34,696
Total short-term employee benefits	**537,485**	**653,382**	**452,791**	**574,051**
Post-employment benefits				
Superannuation	47,315	48,925	39,677	42,085
Total post-employment benefits	**47,315**	**48,925**	**39,677**	**42,085**
Other long-term benefits				
Long-service leave accrued	8,653	8,589	6,615	7,389
Total other long-term benefits	**8,653**	**8,589**	**6,615**	**7,389**
Termination Benefits	-	-	-	-
Total	**593,453**	**710,896**	**499,083**	**623,525**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated entity		Parent entity	
	2022	2021	**2022**	2021
	$	$	**$**	$
Note 13 REMUNERATION OF AUDITORS				
Value of the services provided				
Financial statement audit services	30,500	34,500	14,900	18,900
Other services – accountancy and related advice / tax agent services	1,650	1,550	700	700
Total remuneration of auditors	**32,150**	**36,050**	**15,600**	**19,600**

Note 14 FINANCIAL INSTRUMENTS

CATEGORIES OF FINANCIAL INSTRUMENTS

Financial Assets				
Fair value through other comprehensive income				
Shares in subsidiary - at fair value	-	-	400,000	400,000
	-	**-**	**400,000**	**400,000**
Loans and receivables				
Fair value through profit or loss				
Trade and other receivables	972,446	203,365	790,539	66,175
Receivable from related parties	-	-	306,441	163,950
	972,446	**203,365**	**1,096,980**	**230,125**
Carrying amount of financial assets	**972,446**	**203,365**	**1,496,980**	**630,125**
Financial Liabilities				
Fair value through profit or loss				
Other financial liabilities:				
Trade and other payables	1,049,747	225,651	936,646	96,444
Carrying amount of financial liabilities	**1,049,747**	**225,651**	**936,646**	**96,444**

CREDIT RISK

Credit risk arises from the economic entity's trade and other receivables and the potential default of its counterparty, with a maximum exposure equal to the carrying amount of this instrument as disclosed in the statement of financial position and notes to the financial statements at balance date.

The Organisation does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by both parties.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 14 FINANCIAL INSTRUMENTS *continued…*

CREDIT RISK *continued…*

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

	Consolidated entity		Parent entity	
	2022	2021	**2022**	2021
	$	$	**$**	$
Financial Assets				
Trade receivables	970,435	200,022	790,064	63,265
Sundry receivables	2,011	3,343	475	2,910
Total financial assets	**972,446**	**203,365**	**790,539**	**66,175**
Financial Liabilities				
Trade payables	892,530	57,145	863,250	3,731
Sundry payables	124,418	132,456	55,495	71,513
Audit fees accrued	32,800	36,050	17,900	21,200
Total financial liabilities	**1,049,748**	**225,651**	**936,645**	**96,444**

Credit quality of financial instruments not past due or individually determined as impaired – Consolidated

	Not past due nor impaired	**Past due or impaired**	Not past due nor impaired	Past due or impaired
	2022	**2022**	2021	2021
Trade receivables	945,435	25,000	174,462	25,560
Sundry receivables	2,011	-	3,343	-
Total	**947,446**	**25,000**	**177,805**	**25,560**

Credit quality of financial instruments not past due or individually determined as impaired – Parent

	Not past due nor impaired	**Past due or impaired**	Not past due nor impaired	Past due or impaired
	2022	**2022**	2021	2021
Trade receivables	785,064	5,000	57,705	5,560
Sundry receivables	475	-	2,910	-
Total	**785,539**	**5,000**	**60,615**	**5,560**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 14 FINANCIAL INSTRUMENTS *continued…*

CREDIT RISK *continued…*

Ageing of financial assets that were past due but not impaired for 2022 – Consolidated

	0 to 30 Days	31 to 60 Days	61 to 90 Days	90+ days	Total
Trade receivables	930,028	18,730	706	20,971	970,435
Sundry receivables	2,011	-	-	-	2,011
	932,039	**18,730**	**706**	**20,971**	**972,446**

Ageing of financial assets that were past due but not impaired for 2021 – Consolidated

	0 to 30 Days	31 to 60 Days	61 to 90 Days	90+ days	Total
Trade receivables	130,505	50,385	10,273	8,859	200,022
Sundry receivables	3,343	-	-	-	3,343
	133,848	**50,385**	**10,273**	**8,859**	**203,365**

Ageing of financial assets that were past due but not impaired for 2022 – Parent

	0 to 30 Days	31 to 60 Days	61 to 90 Days	90+ days	Total
Trade receivables	783,988	909	707	4,460	790,064
Sundry receivables	475	-	-	-	475
	784,463	**909**	**707**	**4,460**	**790,539**

Ageing of financial assets that were past due but not impaired for 2021 – Parent

	0 to 30 Days	31 to 60 Days	61 to 90 Days	90+ days	Total
Trade receivables	43,158	13,650	855	5,602	63,265
Sundry receivables	2,910	-	-	-	2,910
	46,068	**13,650**	**855**	**5,602**	**66,175**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 14 FINANCIAL INSTRUMENTS *continued…*

LIQUIDITY RISK

Contractual maturities for financial liabilities 2022 – Consolidated

	On demand	< 1 year	1-2 years	>2years	Total
Trade creditors	-	892,530	-	-	892,530
Sundry creditors	-	124,418	-	-	124,418
Audit fees accrued	-	32,800	-	-	32,800
	-	**1,049,748**	**-**	**-**	**1,049,748**

Maturities for financial liabilities 2021 – Consolidated

	On demand	< 1 year	1-2 years	>2years	Total
Trade creditors	-	57,145	-	-	57,145
Sundry creditors	-	132,456	-	-	132,456
Audit fees accrued	-	36,050	-	-	36,050
	-	**225,651**	**-**	**-**	**225,651**

Contractual maturities for financial liabilities 2022 - Parent

	On demand	< 1 year	1-2 years	>2years	Total
Trade creditors	-	863,250	-	-	863,250
Sundry creditors	-	55,496	-	-	55,496
Audit fees accrued	-	17,900	-	-	17,900
	-	**936,646**	**-**	**-**	**936,646**

Maturities for financial liabilities 2021 – Parent

	On demand	< 1 year	1-2 years	>2years	Total
Trade creditors	-	3,731	-	-	3,731
Sundry creditors	-	71,513	-	-	71,513
Audit fees accrued	-	21,200	-	-	21,200
	-	**96,444**	**-**	**-**	**96,444**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 14 FINANCIAL INSTRUMENTS *continued…*

MARKET RISK

Interest Rate Risk

The economic entity's exposure to interest rate risk arises mainly from changes in market interest rates that impact cash investments held. At balance date, only the entity's cash and cash equivalents primarily invested in deposits at call or held-to-maturity term deposits is exposed to floating interest rate risk.

Consolidated

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing			
					Within 1 Year		1 to 5 Years	
	2022	2021	**2022**	2021	**2022**	2021	**2022**	2021
Financial Assets	**%**	**%**	**$**	**$**	**$**	**$**	**$**	**$**
Cash at bank	0.015	0.027	440,602	798,926	-	-	-	-
Deposits at call	0.64	1.38	-	-	258,477	257,758	-	-
Total Financial Assets			**440,602**	**798,926**	**258,477**	**257,758**	**-**	**-**

Parent

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing			
					Within 1 Year		1 to 5 Years	
	2022	2021	**2022**	2021	**2021**	2021	**2021**	2021
Financial Assets	**%**	**%**	**$**	**$**	**$**	**$**	**$**	**$**
Cash at bank	.015	0.027	435,030	791,822	-	-	-	-
Deposits at call	-	-	-	-	-	-	-	-
Total Financial Assets			**435,030**	**791,822**	**-**	**-**	**-**	**-**

SENSITIVITY ANALYSIS

The following sensitivity analysis was estimated using a simple analysis that measures the impact of small changes of interest rates on the accounting income or economic value as applicable to the economic entity's investment structure and is based on the interest rate risk exposures in existence at the end of the reporting period.

A 1% increase or decrease in interest rates would impact profit or loss by the amounts shown below. The analysis assumes that other variables are held constant.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 14 FINANCIAL INSTRUMENTS *continued…*

Interest Rate Risk *continued…*

SENSITIVITY ANALYSIS OF THE RISK THAT THE ENTITY IS EXPOSED TO FOR 2022

CONSOLIDATED

Change in Risk Variable			+1%		-1%	
Financial assets	Carrying amount	Current Rate	EFFECT ON		EFFECT ON	
			Profit & Loss	Equity $	Profit & Loss	Equity
Deposits at call	258,477	0.64%	2,585	2,585	(2,585)	(2,585)

PARENT

Change in Risk Variable			+1%		-1%	
Financial assets	Carrying amount	Current Rate	EFFECT ON		EFFECT ON	
			Profit & Loss	Equity	Profit & Loss	Equity
Deposits at call	-	-	-	-	-	-

SENSITIVITY ANALYSIS OF THE RISK THAT THE ENTITY IS EXPOSED TO FOR 2021

The sensitivity analysis is performed on the same basis in the comparative period.

CONSOLIDATED

Change in Risk Variable			+1%		-1%	
Financial assets	Carrying amount	Current Rate	EFFECT ON		EFFECT ON	
			Profit & Loss	Equity $	Profit & Loss	Equity
Deposits at call	257,758	1.38%	2,578	2,578	(2,578)	(2,578)

PARENT

Change in Risk Variable			+1%		-1%	
Financial assets	Carrying amount	Current Rate	EFFECT ON		EFFECT ON	
			Profit & Loss	Equity	Profit & Loss	Equity
Deposits at call	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 15 FAIR VALUE MEASUREMENT

The Organisation measures and recognises the following assets at fair value on a recurring basis:

- Investment property
- Financial assets

For other assets and liabilities, the net fair value approximates their carrying value largely due to the short term maturities of these instruments. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

The following table presents the Reporting Unit's financial assets measured and recognised at carrying amounts and aggregate net fair values as disclosed in the statement of financial position and in the notes to the financial statements at balance date.

	Hierarchy Level	**Carrying amount 2022**	**Fair value 2022**	Carrying amount 2021	Fair value 2021
Non-financial assets					
Investment Property *(note 7)*	2	2,275,000	2,275,000	1,800,000	1,800,000
Financial assets					
Shares in subsidiary *(note 7)*	1	400,000	400,000	400,000	400,000

The fair value hierarchy consists of the following levels:

Level 1 - Inputs for assets or liability values not based on observable market data (unobservable inputs).

Level 2 - Inputs other than quoted prices in active markets for identical assets or liabilities that aree observable, either directly (as prices) or indirectly (derived from prices); and

Valuation techniques used to derive level 1 and level 2 fair values:

- The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 1. This is the case for the unlisted equity shares in subsidiary.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 15 FAIR VALUE MEASUREMENT *continued...*
Valuation techniques used to derive level 1 and level 2 fair values:

INVESTMENT PROPERTY

For its investment property, the Reporting Unit obtains an independent valuation at least every four years and/or take into account valuations from a local government authority. At the end of each reporting period, the committee members update their assessment of the fair value of the property, taking into account the most recent independent valuation. The committee members determine a property's value within a range of reasonable fair value estimates.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the committee members consider information from a variety of sources including:

- Current prices in an active market for properties of different nature or recent prices similar properties in less active markets, adjusted to reflect those differences
- Capitalised income projections based upon a property's estimated net market income and a capitalisation rate derived from an analysis of market evidence.
- Valuations from a local government authority.

The fair value of the investment property has been derived from Charter Keck Cramer Pty Ltd valuation report dated 5 October 2022 using the direct sales comparison approach as primary method and income capitalisation as secondary method. Sale price of similar properties in close proximity was taken into account and based on the evidence of similar sales, a land and building rate of $4,500 per square metre has been adopted.

Description	Fair value at June 2022	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Warehouse 7 41 Sabre Drive Port Melbourne VIC 3207	2,275,000	Direct sales comparison approach supported by the capitalisation of income approach	Building value rates per square metres (sqm)	1% change in building value rate per sqm would increase/ decrease fair value by $22,750

INVESTMENT OF SHARES IN SUBSIDIARY

For its investment of shares in its subsidiary, the Reporting Unit takes into account a market participants ability to generate economic benefits, selling to another market participant and the economic conditions prevailing at the time to establish a fair value measurement.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 16 SEGMENT REPORTING

The Reporting Unit carries on business as an Employer's Association operating predominantly in Australia.

Note 17 CAPITAL MANAGEMENT

The Officeholders for each reporting unit of the Organisation and where applicable their controlled entities, control the capital in order to safeguard their ability to continue as a going concern, so that they can fund its operations.
There are no externally imposed capital requirements.

Note 18 CONTROLLED ENTITY

Controlled Entity Consolidated

Name of entity	Principal Activity	Percentage Controlled	
		2022	2021
Australian Trainers' Association - Western Australia Branch *Reporting unit of the Association*	Service the needs of the trainers	100%	100%
Racing Supplies Pty Ltd *Incorporated in Australia*	Sale of products used in Horse Industry	100%	100%

Note 19 ASSOCIATION AND CONTROLLED ENTITIES

The registered office of the association (Reporting Unit):

Australian Trainers' Association – Federal Branch
1st Floor 400 Epsom Road, Flemington VIC 3031

The principal place of businesses:

- Australian Trainers' Association - Federal Branch
  1st Floor 400 Epsom Road, FLEMINGTON VIC 3031
- Australian Trainers' Association - Western Australia Branch
  C/- Mr Andrew Holland
  157 Penguin Road, SAFETY BAY WA 6169
- Racing Supplies Pty Ltd
  Warehouse 7 41 Sabre Drive, PORT MELBOURNE VIC 3207