



Australian Government
Australian Industrial Registry

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9654 6672

Mr Steven Lowe
General Manager - Finance
Australian Trainers' Association
P.O. Box 585
FLEMINGTON VIC 3031

Dear Mr Lowe,

**Re: Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)
Australian Trainers' Association
Financial reports for year ended 30 June 2004 - FR2004/396**

I have received the financial reports of the above named organisation for year ended 30 June 2004. The documents were lodged in the Industrial Registry on 16 November 2004.

The documents have been filed.

Although the documents have been filed, I would like to comment on some issues arising out of the reports. I make these comments to assist you when you next prepare financial reports. You do not need to take any further action in respect of the financial reports already lodged.

1. Auditor's Report

The opinion expressed by the auditor in their report has been drafted in terms of the previous requirements of the *Workplace Relations Act 1996*. Section 257(5) of the RAO Schedule now sets out the matters on which an auditor is required to state an opinion. An acceptable wording would be as follows:

"In our opinion the general purpose financial report presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the RAO Schedule."

I have forwarded a copy of this letter to the auditor for their views about this matter.

2. Operating Report

Trustee or Director of Superannuation entity

Please note that paragraph 254(2)(d) of the RAO Schedule requires details (including details of the position held) of any officer or member of the reporting unit holding a position referred to in that paragraph.

3. Accounting Officer's Certificate

There is no requirement under the RAO Schedule to lodge an accounting officer's certificate. Such certificate was previously required by section 273(2) of the Act and regulation 109(1)(a) of the *Workplace Relations Regulations*.

4. Committee of Management Statement

Please note that under reporting Guideline 18(d) for the purposes of s253 this statement need only be signed by one designated officer.

5. Loans, grants and donations

A statement of Loans, Grants and Donations in excess of \$1,000 for the financial year ending 30 June 2004 was received with the financial reports. The content of the statement has been noted and has been placed on a Registry file that is not available to the general public.

Please do not hesitate to contact me on (03) 8661 7988 if you wish to discuss this letter.

Yours sincerely,

A handwritten signature in cursive script that reads "L. Markovski".

Lynette Markovski
Statutory Services Branch

10 December 2004



AUSTRALIAN TRAINERS' ASSOCIATION

AN ORGANISATION UNDER THE WORKPLACE RELATIONS ACT 1996
A.B.N. 86 182 142 206

Lodged 16/11/04

November 10, 2004

The Australian Industrial Registry
G.P.O. BOX 1994 S
MELBOURNE VIC 3001

Dear Sir/Madam,

Please find enclosed a signed set of financial statements for the Australian Trainer's Association Federal Branch for the year ended 30th June 2004. Also enclosed is the statements in respect to Section 237 relating to Statement of Loans, Grants and Donations for the Federal Branch.

Yours faithfully,

STEVEN LOWE
General Manager - Finance

Enc


AUSTRALIAN TRAINERS ASSOCIATION

FEDERAL BRANCH

CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER
SECTION 268 OF SCHEDULE 1B OF THE WORKPLACE RELATIONS
ACT 1996.

I, Colin Alderson, President of the Australian Trainers Association, Federal Branch, do hereby certify:

- that the documents lodge herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- that the full report, was provided to members on 1st October 2004; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 29th October 2004; in accordance with section 266 of the RAO Schedule.


Colin Alderson

Dated, this 29th day of October, 2004

**A u s t r a l i a n
T r a i n e r s '
A s s o c i a t i o n**

Federal Branch

Financial Report

For The Year Ended

30th June 2004

AUSTRALIAN TRAINERS' ASSOCIATION

FEDERAL BRANCH

INDEX

	PAGE
Operating Report	2-3
Independent Audit Report	4-5
Accounting Officer's Certificate	6
Committee of Management Statement	7
Statement of Financial Position	8
Statement of Financial Performance	9-11
Statement of Cash Flows	12
Notes to and Forming Part of the Financial Statements	13-24

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

OPERATING REPORT

The Committee of Management submit the financial statements of Australian Trainers' Association – Federal Branch for the financial year ended 30 June 2004.

PRINCIPAL ACTIVITY

The principal activity of the Association during the financial year was to service the needs of the members and protect, promote and advise the interests of trainers on issues affecting the horse racing industry.

No significant change in the nature of these activities occurred during the year.

RESULTS AND REVIEW OF OPERATIONS

The profit of the association for the financial year amounted to \$239,997 (2003: \$336,381).

A review of the operations of the association during the financial year and the results of those operations found the association as reduced its operating profit by 28% to \$239,997. The reduction in operating profit was contributed by the increase in operating expenses of 15%.

SIGNIFICANT CHANGES

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

FUTURE DEVELOPMENTS

Likely developments in the operations of the association 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 association.

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 association, the results of those operations, or the state of affairs of the association in future financial years.

MEMBERSHIP

The number of members of the Association was 1,503 (2003: 1,350).

RESIGNATION FROM MEMBERSHIP

Members have the right to resign from the association under section 174(1) of the ROA Schedule which read as follows:

"A member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation."

EMPLOYEES

The Association employed seven full-time employees for the financial year ended 30 June 2004.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

OPERATING REPORT

MEMBERSHIP OF THE COMMITTEE OF MANAGEMENT

The names of the federal executive's who have held office at any time during or since the end of the year are:

Colin A Alderson

Leonard J Smith

Colin Webster

Robert Smerdon

Ron Leemon

Leon MacDonald (Appointed 2nd September 2003)

Ross W Price (Appointed 2nd September 2003)

Walter N McShane

Mrs Christine D Crook

Ron E Maund

Ms Kim Moore (Resigned 2nd September 2003)

Mr Ray Paech (Resigned 2nd September 2003)

Federal Executives have been in office since the start of the financial year to the date of this report unless otherwise stated.

Some of the Federal Executive's may be 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.

INDEMNITIES

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the association.

No person has applied for leave of Court to bring proceedings on behalf of the association or intervene in any proceedings to which the association is a party for the purpose of taking responsibility on behalf of the association for all or any part of those proceedings.

The association was not a party to any such proceedings during the year.

Signed on behalf of the Committee of Management.



COLIN A ALDERSON

President



LEONARD J SMITH

Vice President

Dated, this 15th day of September 2004

INDEPENDENT AUDIT REPORT

Scope

The financial report and committee of management's responsibility

The financial report comprises the statement of financial position, statements of financial performance, statement of cash flows, accompanying notes to the financial statements and the statements by members of the committee for the Australian Trainers' Association – Federal Branch for the year ended 30 June 2004 as set out on pages 6 - 24.

The committee of management is responsible for the preparation and true and fair presentation of the financial statements in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We have conducted an independent audit in order to express an opinion to the members of the Association. Our audit has been conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the special purpose financial report presents fairly, in accordance with the Workplace Relations Act 1996 including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Association's financial position, and of its performance as represented by the results of its operations and cash flows.

We performed an opinion on the basis of these procedures, which included:

- examining on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

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

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

INDEPENDENT AUDIT REPORT

(continued)

Audit Opinion

In our opinion:

- (i) satisfactory accounting records were kept by the organisation in respect of the financial year, including records of the sources and nature of the income of the organisation (including income from members) and records of the nature and purposes of the expenditure of the organisation;
- (ii) the accounts and statements prepared under Section 273 of the Workplace Relations Act 1996 were properly drawn up so as to give a true and fair view of:
 - (a) the financial affairs of the Australian Trainers' Association - Federal Branch as at 30 June 2004, and
 - (b) the income and expenditure, and surplus of the Australian Trainers' Association - Federal Branch for the year ended 30 June 2004; and
- (iii) all information and explanations that, under subsection 276(2) officers or employees of the Australian Trainers' Association - Federal Branch were required to provide were provided.

C.W. Stirling & Co

CW Stirling & Co
Chartered Accountants

John A Phillips

John A Phillips
Partner

Dated this 24th day of September 2004.

Melbourne.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

ACCOUNTING OFFICER'S CERTIFICATE

I, John B Alducci being the officer responsible for keeping the accounting records of the Australian Trainers' Association, Federal Branch, certify that as at 30 June 2004 the number of members of the Association was 1,503 (2003: 1,350).

In my opinion -

- (i) the financial report set out on pages 7 to 24 show a true and fair view of the financial affairs of the Branch as at 30 June 2004;
- (ii) a record has been kept of all moneys paid by, or collected from, members and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the Association;
- (iii) before any expenditure was incurred by the Branch, approval of the incurring of the expenditure was obtained in accordance with the Rules of the Association;
- (iv) with regard to funds of the organisation raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated;
- (v) no loans or other financial benefits, other than remuneration in respect of their full-time employment with the organisation, were made to persons holding an office in the Association;
- (vi) the register of members of the organisation was maintained in accordance with Schedule 1B of the Workplace Relations Act 1996;
- (vii) the Association is able to pay its debts as and when they fall due.



JOHN B ALDUCCI

Chief Executive Officer

Dated, this 22nd day of September 2004

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

COMMITTEE OF MANAGEMENT STATEMENT

On 15th of September 2004 the Committee of Management of Australian Trainers' Association passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2004:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the 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;
- (e) during the financial year to which the GPFR relates and since the end of that year: meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (i) 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
 - (ii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iii) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (iv) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (v) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

Signed on behalf of the Committee of Management.



COLIN A ALDERSON

President



LEONARD SMITH

Vice President

Dated, this 22nd day of September 2004

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2004

	Note	2004 \$	2003 \$
CURRENT ASSETS			
Cash assets	6	1,920,210	1,480,573
Receivables	7	37,573	65,384
Other	8	12,584	3,194
TOTAL CURRENT ASSETS		1,970,367	1,549,151
NON-CURRENT ASSETS			
Receivables	8	560,772	696,587
Other financial assets	9	4	4
Property, plant and equipment	11	705,096	662,223
TOTAL NON-CURRENT ASSETS		1,265,872	1,358,814
TOTAL ASSETS		3,236,239	2,907,965
CURRENT LIABILITIES			
Payables	12	293,035	280,947
Provisions	13	76,300	72,043
Other	15	113,591	44,181
TOTAL CURRENT LIABILITIES		482,926	397,171
NON-CURRENT LIABILITIES			
Provisions	13	15,764	13,242
TOTAL NON-CURRENT LIABILITIES		15,764	13,242
TOTAL LIABILITIES		498,690	410,413
NET ASSETS		2,737,549	2,497,552
MEMBERS' FUNDS			
Accumulated Funds	16	2,737,549	2,497,552
TOTAL MEMBERS' FUNDS		2,737,549	2,497,552

The accompanying notes form part of these financial statements.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2004**

	Note	2004 \$	2003 \$
INCOME			
Administration Fees		459,879	403,072
Membership Subscriptions		131,265	130,360
Membership Levies		31,444	35,636
Racing Secretarial Services		26,000	34,221
Fees Received		100,417	100,471
Newsletter Income		11,668	16,518
Racing Industry Diary Income		72,705	66,745
Sponsorship Income		35,551	54,124
Commission Received		1,993	2,557
Debt Collection Income		5,591	6,219
Marketing Promotions		-	20,000
Grants Received		1,500	1,250
	TOTAL INCOME	878,013	871,173
EXPENDITURE			
Advertising		-	519
Annual Leave – Employees	4	26,181	22,883
Annual Leave – Officeholders	4	7,804	8,542
Auditor's Remuneration	4	4,400	4,400
Bad Debts Written Off	4	-	668
Bank Charges		1,634	1,287
Cleaning		1,890	1,890
Computer Expenses		3,203	6,557
Conferences		22,434	16,339
Consultancy Fees		32,005	29,600
Courier Fees		177	60
Debt Collection		3,521	4,182
Depreciation	4	41,028	29,242
Doubtful Debts	4	(2,500)	(6,000)
Electricity		1,753	1,607
Flowers & Wreaths		163	464
Fringe Benefits Tax		16,627	6,390
General Expenses		797	621
Grants paid	19c	7,312	7,464

The accompanying notes form part of these financial statements.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2004**

	Note	2004 \$	2003 \$
Honorarium		2,000	2,000
Industrial Expenses		1,601	1,746
Insurance		4,641	7,274
Legal Costs		955	-
Long Service Leave – Employees	4	4,653	909
Long Service Leave – Officeholders	4	1,973	2,028
Membership Expenses		9,053	9,050
Motor Vehicle Expenses		19,572	12,493
Newsletter Expenses		11,574	12,686
Postage		6,871	11,034
Printing & Stationery		8,354	10,978
Property Expenses		1,547	748
Race Trophies		1,359	1,301
Racing Industry Diary Expenses		60,346	56,618
Rent		20,089	20,089
Repairs & Maintenance		2,224	2,865
Salaries & Wages – Employees		300,912	242,177
Salaries & Wages - Officeholders		92,693	86,328
Sponsorship Expenses		6,601	7,324
Staff Amenities		1,447	2,120
Subscriptions		2,010	1,963
Superannuation Contributions – Employees		27,868	22,998
Superannuation Contributions – Officeholders		9,272	8,361
Telephone		14,424	17,005
Workcover Insurance		5,565	4,353
	TOTAL EXPENSES	786,033	681,163
		91,980	190,010
OTHER INCOME			
Interest Received – Bank		75,809	62,517
Interest Received – Racing Supplies Pty Ltd		56,505	70,271
Other Income		-	19,182
Profit on Sale of Fixed Assets	4	15,703	-
	TOTAL OTHER INCOME	148,017	151,970
		239,997	341,980

The accompanying notes form part of these financial statements.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2004**

	Note	2004 \$	2003 \$
OTHER EXPENSES			
Loss on Sale of Non-Current Assets	4	-	5,599
SURPLUS FOR THE YEAR		239,997	336,381
Accumulated Surplus at Beginning of the Financial Year	16	2,497,552	2,161,171
Accumulated Surplus at the End of the Financial Year	16	2,737,549	2,497,552

The accompanying notes form part of these financial statements.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2004

	Note	2004 \$	2003 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		2,988,840	2,284,357
General Administration Expenses & Direct Expenses		(2,556,815)	(2,004,133)
Interest received		75,809	62,517
Net cash provided by (used in) operating activities	21b	<u>507,834</u>	<u>342,741</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		66,364	2,319
Payment for property, plant and equipment		(134,561)	(594,445)
Net cash provided by (used in) investing activities		<u>(68,197)</u>	<u>(592,126)</u>
Net increase in cash held		439,637	(249,385)
Cash at beginning of year		1,480,573	1,729,958
Cash at end of year	21a	<u>1,920,210</u>	<u>1,480,573</u>

The accompanying notes form part of these financial statements.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and fulfilling the requirements of Schedule 1B of the Workplace Relations Act 1996.

The financial report covers Australian Trainers' Association – Federal Branch as an individual entity. Australian Trainers' Association – Federal Branch is an Association domiciled in Australia and registered under the Workplace Relations Act 1996.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a. Income Tax

No provision for income tax is made as the Association, being an organisation of employers registered under the Workplace Relations Act 1996, is exempt from income tax under Section 50-15 Item 3.1 (b) of the Income Tax Assessment Act 1997.

b. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the association to have an independent valuation every three years, with annual appraisals being made by the committee of management.

The revaluation of freehold land and buildings has not taken account of the potential capital gains tax on assets acquired after the introduction of capital gains tax.

Plant and equipment

Plant and equipment is measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by committee members to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows, which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a diminishing cost method or straight line basis over their estimated useful lives to the Association commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of assets are:

Class of Fixed Asset	Depreciation Rate
Motor Vehicles	22.5%
Office Furniture & Equipment	1.8-30%
Computer Hardware	40%
Computer Software	40%

c. Investments

Non-current investments are measured on the cost basis. The carrying amount of investments is reviewed annually by the committee of management to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for shares in listed companies or the underlying net assets for other non-listed corporations. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

d. Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and long service leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the association to an employee superannuation fund and are charged as expenses when incurred. The association has no legal obligation to provide benefits to employees on retirement.

e. Cash

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months and net of bank overdrafts.

f. Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

g. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

h. Comparatives

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

i. Adoption of Australian Equivalents to International Financial Reporting Standards

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for future financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the end of the current financial year. The Committee is reviewing the significance of these changes and preparing for their implementation in consultation with the Association's auditors. At this stage there are not expected to be significant differences in the Association's accounting policies which will arise from the adoption of IFRS.

NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the ROA Schedule, the attention of Members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272, which read as follows:

- " (1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1)."

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

NOTE 3: REVENUE	Note	2004 \$	2003 \$
Operating activities			
— administration fees		459,879	403,072
— interest	3a	132,314	132,788
— membership subscriptions		131,265	130,360
— membership levies		31,444	35,636
— newsletter & racing industry diary income		84,373	83,263
— rendering of services		126,417	134,692
— sponsorship income		35,551	54,124
— marketing promotions income		-	20,000
— grants received		1,500	1,250
— sundry income		7,584	27,958
		1,010,327	1,023,143
Non-operating activities			
— proceeds on disposal of property, plant and equipment — proceeds on disposal of investments		15,703	-
		15,703	-
Total revenue		1,026,030	1,023,143
a. Interest from			
— wholly-owned subsidiaries		56,505	70,271
— other persons		75,809	62,517
		132,314	132,788

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
NOTE 4: PROFIT FROM ORDINARY ACTIVITIES		
Profit from ordinary activities has been determined after:		
a. Expenses		
Depreciation of non-current assets		
— plant and equipment	41,028	29,242
Total depreciation	<u>41,028</u>	<u>29,242</u>
Bad and doubtful debts		
— trade debtors	-	668
Total bad and doubtful debts	<u>-</u>	<u>668</u>
Remuneration of auditor		
— audit	4,400	4,400
	<u>4,400</u>	<u>4,400</u>
Charges to provisions		
— doubtful debts	(2,500)	(6,000)
— employee entitlements	40,611	34,362
	<u>38,111</u>	<u>28,362</u>
Loss on disposal of non-current assets	<u>-</u>	<u>5,599</u>
b. Revenue and Net Gains		
Net gain on disposal of plant and equipment	<u>15,703</u>	<u>-</u>

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
NOTE 5: REMUNERATION AND RETIREMENT BENEFITS	\$	\$

a. Federal Executives:

The following individuals constituted the Federal Executive of the Australian Trainers' Association – Federal Branch during the financial year are:

Colin A Alderson

Leonard J Smith

Colin Webster

Robert Smerdon

Ron Leemon

Leon MacDonald (Appointed 2nd September 2003)

Ross W Price (Appointed 2nd September 2003)

Walter N McShane

Mrs Christine D Crook

Ron E Maund

Ms Kim Moore (Resigned 2nd September 2003)

Mr Ray Paech (Resigned 2nd September 2003)

Some of the Federal Executives of the Australian Trainers' Association are also directors of members companies. Members' subscriptions have been calculated in accordance with the Rules of the Association.

b. Federal Executives' Remuneration

Number of Federal Executives whose income from the association and related entities was within the following bands:

	No.	No.
\$0 — \$9,999	1	1

c. Retirement and Superannuation Payments

No committee member has received any retirement or superannuation payment for the year ended 30 June 2004.

Full particulars are not provided, as the committee members believe this would be unreasonable.

d. Remuneration to Chief Executive Officer:

The salary paid to the Chief Executive Officer is disclosed in the Statement of Financial Performance.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
NOTE 6: CASH ASSETS		
Petty Cash Imprest	100	100
Cash at Bank	407,515	239,879
ANZ Term Deposit – 30 Day A/c	1,335,296	1,071,454
ANZ Term Deposit – Leave Provision	177,299	169,140
	1,920,210	1,480,573

NOTE 7: RECEIVABLES

Note

CURRENT

Trade debtors	27,384	43,049
Provision for doubtful debts	(7,500)	(10,000)
	19,884	33,049
Other debtors	17,689	32,335
	37,573	65,384

NON-CURRENT

Amounts receivable from wholly-owned subsidiary:

Racing Supplies Pty Ltd	19a	527,383	655,863
Amounts receivable from A.T.A. South Australia Branch	19b	33,389	40,724
		560,772	696,587

NOTE 8: OTHER ASSETS

CURRENT

Prepayments	12,584	3,194
	12,584	3,194

NOTE 9: OTHER FINANCIAL ASSETS

Shares in controlled entity — at cost	10	4	4
		4	4

NOTE 10: CONTROLLED ENTITIES

Subsidiary: *Racing Supplies Pty Ltd*

Country of incorporation: *Australia*

Percentage owned: *100%* (2003: *100%*)

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
NOTE 11: PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings		
Freehold land at:		
— independent valuation 2002	533,536	530,931
Total Land and Buildings	533,536	530,931
Plant and Equipment		
Office furniture and equipment at cost	74,652	73,063
Less accumulated depreciation	(47,384)	(39,839)
	27,268	33,224
Computer Hardware at cost	35,309	35,309
Less accumulated depreciation	(28,424)	(23,835)
	6,885	11,474
Computer Software at cost	2,430	2,430
Less accumulated depreciation	(1,985)	(1,688)
	445	742
Motor Vehicles at cost	160,029	141,358
Less accumulated depreciation	(23,067)	(55,506)
	136,962	85,852
Total Plant and Equipment	171,560	131,292
Total Property, Plant and Equipment	705,096	662,223

a. Movements in Carrying Amounts

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

	Freehold Land	Plant and Equipment	Total
	\$	\$	\$
Balance at the beginning of the year	530,931	131,292	662,223
Additions	2,605	131,957	134,562
Disposals	-	(50,661)	(50,661)
Depreciation expense	-	(41,028)	(41,028)
Carrying amount at the end of the year	533,536	171,560	705,096

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

		2004	2003
		\$	\$
NOTE 12: PAYABLES			
CURRENT			
Trade creditors		14,892	17,500
Sundry creditors		65,285	58,482
Australian Trainers' Association – Western Australian Branch		275	255
Deferred Income		124,676	108,876
Membership Income in Advance		87,907	95,834
		293,035	280,947
NOTE 13: PROVISIONS			
	Note		
CURRENT			
Audit fees		3,250	5,000
Employee benefits – annual leave	13a	51,713	49,810
Employee benefits – long service leave	13a	21,337	17,233
		76,300	72,043
NON-CURRENT			
Employee benefits – long service leave	13a	15,764	13,242
a. Aggregate employee benefit liability		88,814	80,285
b. Number of employees at year end		7	7
NOTE 14: EMPLOYEE BENEFITS			
EMPLOYEE BENEFIT AND RELATED ON-COSTS LIABILITIES			
Included in other creditors – current (Note 12)		24,875	9,680
Provision for employee benefits – current (Note 13)		73,050	67,043
Provision for employee benefits – non-current (Note 13)		15,764	13,242
Aggregate employee benefit and related on-costs liabilities		113,689	89,965
NOTE 15: OTHER			
CURRENT			
CUB prize money payable		110,000	40,000
A.T.A. Industry Training Fund		3,591	4,181
		113,591	44,181

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

	2004 \$	2003 \$
NOTE 16: MEMBERS' FUNDS		
Accumulated Surplus at the beginning of the financial year	2,497,552	2,161,171
Surplus for the year	239,997	336,381
Accumulated Surplus at the end of the financial year	<u>2,737,549</u>	<u>2,497,552</u>

NOTE 17: AUSTRALIAN TRAINERS' ASSOCIATION TRAINING FUND

A special fund was created to accept payments from members under the Training Guarantee (Administration) Act 1990. In accordance with this legislation payments by members into the Fund qualify as eligible training expenditure. Subsequent payments from the Fund relate solely to training activities and administration of the Fund consistent with the Training Guarantee legislation. Summarised below are the Fund transactions to 30th June 2004:

Balance at the beginning of the year	4,181	4,616
Less: Payments made	(590)	(435)
Balance at the end of the year	<u>3,591</u>	<u>4,181</u>

NOTE 18: EVENTS SUBSEQUENT TO REPORTING DATE

At the date of signing these financial report, no other matter or circumstance which has arisen since 30 June 2004 has significantly affected or may significantly affect:

- (i) The operation of the Association;
- (ii) the results of those operations; or
- (iii) the state of affairs of the Association subsequent to 30 June 2004.

NOTE 19: RELATED PARTY TRANSACTIONS

a. As at the date of signing the accounts, the loan to Racing Supplies Pty Ltd is covered by a Mortgage Debenture Charge. The loan is in the nature of working capital finance.

527,383	655,863
---------	---------

b. The Australian Trainers Association - Federal Branch will not seek payment of the Australian Trainers' Association - South Australia Branch loan until such time they can afford to repay the loan. However, the Federal Branch has given written documentation to the South Australia Branch that the loan will not be called upon in the next twelve months. The loan is in the nature of working capital finance.

33,389	40,724
--------	--------

c. Grants were paid during the year to state branches for the reimbursement of expenses in carrying out state branch activities.

South Australia Branch	2,147	2,446
West Australia Branch	775	755
Queensland Branch	1,755	3,142
New South Wales Branch	1,735	1,121
Tasmanian Branch	900	-
	<u>7,312</u>	<u>7,464</u>

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

NOTE 20: SEGMENT REPORTING

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

NOTE 21: CASH FLOW INFORMATION	2004	2003
	\$	\$
a. Reconciliation of Cash		
Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the statement of financial position as follows:		
Petty Cash Imprest	100	100
Cash at Bank	407,515	239,879
ANZ Term Deposit – 30 Day Account	1,335,296	1,071,454
ANZ Term Deposit – Leave Provision	177,299	169,140
	1,920,210	1,480,573
b. Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax		
Profit from ordinary activities after income tax	239,997	336,381
Non-cash flows in profit from ordinary activities		
Depreciation	41,028	29,242
Doubtful Debts	(2,500)	(6,000)
Net gain on disposal of plant and equipment	(15,704)	-
Net loss on disposal of plant and equipment	-	5,599
Changes in assets and liabilities:		
Decrease/(Increase) in current receivables	30,311	40,931
Decrease/(Increase) in other assets	(9,390)	16,012
Decrease/(Increase) in non-current receivables	135,815	(125,306)
Increase/(Decrease) in current payables	12,088	69,796
Increase/(Decrease) in current provisions	4,257	12,207
Increase/(Decrease) in other current liabilities	69,410	(34,435)
Increase/(Decrease) in non-current provisions	2,522	(1,686)
Cash flows from operations	507,834	342,741

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 186 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

NOTE 22: FINANCIAL INSTRUMENTS

a. Interest Rate Risk

The economic entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets, is as follows:

	Weighted Average Floating Interest Rate				Fixed Interest Rate Maturing			
	Effective Interest Rate				Within 1 Year		1 to 5 Years	
	2004	2003	2004	2003	2004	2003	2004	2003
Financial Assets	%	%	\$	\$	\$	\$	\$	\$
Cash at bank	0.1	0.1	407,515	239,879	-	-	-	-
Deposits at call	4.4	4.4	-	-	1,512,595	1,240,594	-	-
Total Financial Assets			407,515	239,879	1,512,595	1,240,594	-	-

b. Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes the financial statements.

The economic entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the economic entity.

c. Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. 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 aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

NOTE 24: ASSOCIATION DETAILS

The registered office of the association is:

**Australian Trainers' Association – Federal Branch
1st Floor
400 Epsom Road
FLEMINGTON VIC 3031**

The principal place of business is:

**Australian Trainers' Association – Federal Branch
1st Floor
400 Epsom Road
FLEMINGTON VIC 3031**