

FR2006/371



Located at: 400 Epsom Road
Flemington, Victoria, 3031
Postal: P.O. Box 585
Flemington, Victoria, 3031
Phone: +61 3 9372 1688
Fax: +61 3 9372 1699
Email: ata@austrainers.com.au
Website: www.austrainers.com.au

Associated Entity:



November 8, 2006

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 2006. Also enclosed is the statements in respect to Section 237 relating to Statement of Loans, Grants and Donations for the Federal Branch.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'S. Lowe', written over a circular stamp.

STEVEN LOWE
General Manager - Finance



Enc

FR 2006/371


AUSTRALIAN TRAINERS ASSOCIATION

FEDERAL BRANCH

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

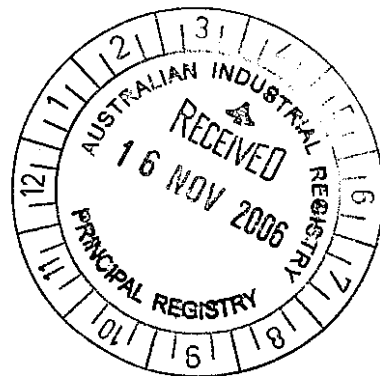
I, Colin Alderson, President of the Australian Trainers Association, Federal Branch, do hereby certify:

- 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 6th October 2006; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 3rd November 2006; in accordance with section 266 of the RAO Schedule.



Colin Alderson

Dated, this 3rd day of November, 2006



FR2006/371

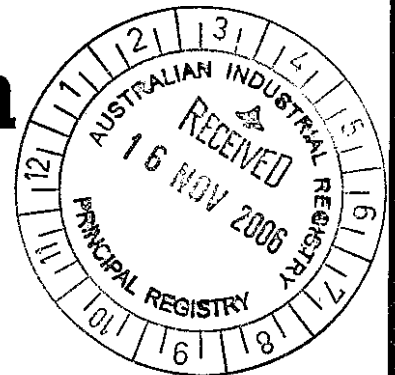
**A u s t r a l i a n
T r a i n e r s '
A s s o c i a t i o n**

Federal Branch

Financial Report

For The Year Ended

30th June 2006



AUSTRALIAN TRAINERS' ASSOCIATION

FEDERAL BRANCH

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**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 182 142 206

OPERATING REPORT

The Committee of Management submit the financial statements of Australian Trainers' Association – Federal Branch for the financial year ended 30 June 2006.

PRINCIPAL ACTIVITY

The principal activity of the Association during the financial year was to service the needs of the members 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 year.

RESULTS AND REVIEW OF OPERATIONS

The profit of the association for the financial year amounted to \$373,609 (2005: \$236,495).

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

SIGNIFICANT CHANGES

No significant changes in the Association's financial 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 1,403 (2005: 1,427).

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 Association employed 6 full-time employees and 1 part-time employee for the financial year ended 30 June 2006.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 182 142 206

OPERATING REPORT

MEMBERSHIP OF THE COMMITTEE OF MANAGEMENT

The names of the federal executives who have held office at any time during the year are:

Colin A Alderson

Leonard J Smith

Colin Webster

Robert Smerdon

Ron Leemon

Bede Murray

Leon MacDonald

Ross W Price

Walter N McShane

Mrs Christine D Crook

Ron E Maund

Committee members have been in office throughout the financial year unless otherwise indicated.

TRUSTEE OR DIRECTOR OF SUPERANNUATION ENTITY

No Federal Executives are trustees 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



COLIN WEBSTER

Vice President

Dated, this 21st day of September 2006

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 182 142 206

INDEPENDENT AUDIT REPORT

Scope

The financial report and committee of management's responsibility

The financial report comprises the balance sheet, income statement, statement of changes in equity, 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 2006 as set out on pages 6 - 25.

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 86 182 142 206

INDEPENDENT AUDIT REPORT

(continued)

Audit Opinion

In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia, the requirements of the ROA Schedule, the financial position of Australian Trainers' Association – Federal Branch as at 30 June 2006 and the results of its operations and cash flows for the year then ended.

C. W. Stirling & Co

CW Stirling & Co
Chartered Accountants

John A Phillips

John A Phillips
Partner

Dated this 28th day of September 2006.
Melbourne.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 182 142 206

COMMITTEE OF MANAGEMENT STATEMENT

On 21st of September 2006 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 2006:

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

Dated, this 21st day of September 2006

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 182 142 206

BALANCE SHEET AS AT 30 JUNE 2006

	Note	2006 \$	2005 \$
CURRENT ASSETS			
Cash and cash equivalents	5	1,700,393	2,033,811
Trade and other receivables	6	58,764	49,610
Other current assets	7	12,010	11,574
TOTAL CURRENT ASSETS		1,771,167	2,094,995
NON-CURRENT ASSETS			
Trade and other receivables	6	987,861	722,397
Financial assets	8	1,610	1,610
Investment Property	9	1,041,192	1,525,962
Property, plant and equipment	10	137,645	137,312
TOTAL NON-CURRENT ASSETS		2,168,308	2,387,281
TOTAL ASSETS		3,939,475	4,482,276
CURRENT LIABILITIES			
Trade and other payables	11	534,404	1,459,958
Provisions	12	51,892	24,421
Other current liabilities	14	1,277	3,826
TOTAL CURRENT LIABILITIES		587,573	1,488,205
NON-CURRENT LIABILITIES			
Provisions	12	4,249	20,027
TOTAL NON-CURRENT LIABILITIES		4,249	20,027
TOTAL LIABILITIES		591,822	1,508,232
NET ASSETS		3,347,653	2,974,044
MEMBERS' FUNDS			
Accumulated Funds		3,347,653	2,974,044
TOTAL MEMBERS' FUNDS		3,347,653	2,974,044

The accompanying notes form part of these financial statements.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 182 142 206

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	Note	2006 \$	2005 \$
INCOME			
Administration Fees		621,725	491,496
Membership Subscriptions		123,999	131,317
Membership Levies		30,043	31,653
Racing Secretarial Services		31,728	27,155
Fees Received		81,697	93,112
Newsletter Income		6,562	-
Racing Industry Diary Income		82,217	74,179
Sponsorship Income		51,646	35,304
Commission Received		284	373
Debt Collection Income		375	2,420
Rental Income		64,611	-
Grants Received		2,500	2,500
	TOTAL INCOME	1,097,387	889,509
EXPENDITURE			
Annual Leave – Employees		25,517	26,116
Annual Leave – Officeholders		11,987	7,692
Auditor's Remuneration		10,800	14,950
Bank Charges		849	1,624
Cleaning		1,890	1,890
Computer Expenses		2,999	4,746
Conferences		16,728	20,765
Consultancy Fees		80,000	34,637
Courier Fees		150	82
Debt Collection		64	304
Depreciation		32,909	40,488
Donations		-	1,000
Doubtful Debts		-	(7,500)
Electricity		1,587	1,582
Flowers & Wreaths		638	259
Fringe Benefits Tax		15,751	17,294
General Expenses		1,108	2,901

The accompanying notes form part of these financial statements.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 182 142 206

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	Note	2006 \$	2005 \$
Honorarium		2,000	2,000
Industrial Expenses		2,144	1,727
Insurance		5,153	5,303
Legal Costs		3,250	200
Long Service Leave – Employees		3,803	5,680
Long Service Leave – Officeholders		3,889	1,667
Membership Expenses		8,491	7,308
Membership Levies Paid	17c	2,912	2,957
Motor Vehicle Expenses		24,227	21,410
Newsletter Expenses		5,211	-
Postage		9,078	12,914
Printing & Stationery		4,373	4,934
Property Expenses		3,225	1,494
Race Trophies		1,363	1,234
Racing Industry Diary Expenses		70,932	64,292
Rent		19,297	20,089
Repairs & Maintenance		2,840	4,677
Salaries & Wages – Employees		342,364	321,524
Salaries & Wages - Officeholders		119,104	96,828
Sponsorship Expenses		932	5,304
Staff Amenities		814	1,220
State Branch Expenses Reimbursed	17c	2,688	3,349
Subscriptions		1,806	1,391
Superannuation Contributions – Employees		27,291	27,713
Superannuation Contributions – Officeholders		10,668	9,000
Telephone		14,380	16,890
Workcover Insurance		4,008	4,657
		<hr/>	<hr/>
TOTAL EXPENSES		899,220	814,592
		<hr/>	<hr/>
		198,167	74,917
OTHER INCOME			
Interest Received – Bank		74,871	86,209
Interest Received – Racing Supplies Pty Ltd		107,196	77,243
		<hr/>	<hr/>
TOTAL OTHER INCOME		182,067	163,452
		<hr/>	<hr/>
		380,234	238,369

The accompanying notes form part of these financial statements.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 182 142 206

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	Note	2006	2005
		\$	\$
OTHER EXPENSES			
Loss on Sale of Non-Current Assets		6,625	1,874
SURPLUS FOR THE YEAR		373,609	236,495

The accompanying notes form part of these financial statements.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 182 142 206

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2006

	Note	2006 \$	2005 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		3,212,552	3,137,918
General Administration Expenses & Direct Expenses		(3,189,940)	(2,989,152)
Interest received		76,567	78,784
Net cash provided by (used in) operating activities	19a	<u>99,179</u>	<u>227,550</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		568,663	-
Payment for property, plant and equipment		(1,001,260)	(113,949)
Net cash provided by (used in) investing activities		<u>(432,597)</u>	<u>(113,949)</u>
Net increase in cash held		(333,418)	113,601
Cash at beginning of year		2,033,811	1,920,210
Cash at end of year	5	<u>1,700,393</u>	<u>2,033,811</u>

The accompanying notes form part of these financial statements.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 182 142 206

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2006**

	Retained Earnings \$
Balance at 1 July 2004	<u>2,737,549</u>
Surplus attributable to members	<u>236,495</u>
Balance at 30 June 2005	<u>2,974,044</u>
Surplus attributable to members	<u>373,609</u>
Balance at 30 June 2006	<u><u>3,347,653</u></u>

The accompanying notes form part of these financial statements.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 182 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

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.

Basis of preparation

First –time adoption of Australian Equivalents to International Financial Reporting Standards

Australian Trainers' Association – Federal Branch has prepared financial statements in accordance with the Australian equivalents to International Financial Reporting Standards (AIFRS) from 1 July 2005.

In accordance with the requirements of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards, adjustments to the accounts resulting from the introduction of AIFRS have been applied retrospectively to 2005 comparatives figures excluding cases where optional exemptions available under AASB 1 have been applied.

The accounting policies set out below have been consistently applied to all years presented. The entity has however elected to adopt the exemptions available under AASB1 relating to AASB132: Financial Instruments: Disclosure and Presentation, and AASB139: Financial Instruments: Recognition and Measurement. Refer Note 21 Change in Accounting Policy for further details.

Reconciliations of the transition from previous Australian GAAP to AIFRS have been included in Note 2 First-time Adoption to AIFRS to this report.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

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.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 182 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

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

Land and buildings are measured on the cost basis less depreciation and impairment losses.

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

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.

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. Investment Property

Investment property, comprising a retail site, is held to generate long-term rental yields. The lease is to the controlled entity, Racing Supplies Pty Ltd on an arm's length basis. Investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the income statement as other income.

d. Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 182 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial Liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, the committee assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

e. Impairment of Assets

At each reporting date, the association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

f. 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.

g. Cash and Cash Equivalents

Cash and cash equivalents 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.

h. 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 86 182 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

i. 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.

j. Comparatives

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

NOTE 2: FIRST-TIME ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

On transition to AIFRS, there are no adjustments to equity or profit or loss between previous Australian GAAP and AIFRS.

NOTE 3: 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 86 182 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

NOTE 4: 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

Bede Murray

Leon MacDonald

Ross W Price

Walter N McShane

Mrs Christine D Crook

Ron E Maund

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	2006	2005
Number of Federal Executives whose income from the association and related entities was within the following bands:	No.	No.
\$0	10	10
\$1 — \$10,000	1	1

c. Retirement and Superannuation Payments

No committee member has received any retirement or superannuation payment for the year ended 30 June 2006.

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 Income Statement.

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 182 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

	2006	2005
	\$	\$
NOTE 5: CASH AND CASH EQUIVALENTS		
Petty Cash Imprest	100	100
Cash at Bank	344,154	248,246
ANZ Term Deposit – 30 Day A/c	1,160,471	1,599,233
ANZ Term Deposit – Leave Provision	195,668	186,232
	1,700,393	2,033,811

NOTE 6: TRADE AND OTHER RECEIVABLES	Note		
CURRENT			
Trade debtors		25,556	25,743
Other debtors		33,208	23,867
		58,764	49,610
NON-CURRENT			
Amounts receivable from wholly-owned subsidiary:			
Racing Supplies Pty Ltd	17a	964,766	695,185
Amounts receivable from A.T.A. South Australia Branch	17b	23,095	27,212
		987,861	722,397

NOTE 7: OTHER ASSETS			
CURRENT			
Prepayments		12,010	11,574
		12,010	11,574

NOTE 8: FINANCIAL ASSETS			
Shares in controlled entity — at cost	a	4	4
Shares in International Companies		1,606	1,606
		1,610	1,610

a. Controlled Entities

Subsidiary: *Racing Supplies Pty Ltd*

Country of incorporation: *Australia*

Percentage owned: *100%* (2005: *100%*)

**AUSTRALIAN TRAINERS' ASSOCIATION
FEDERAL BRANCH**

ABN 86 182 142 206

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

	2006	2005
	\$	\$
NOTE 9: INVESTMENT PROPERTY		
Balance at the beginning of the year	1,525,962	547,627
Acquisitions	62,857	978,335
Disposals	(547,627)	-
	<u>1,041,192</u>	<u>1,525,962</u>

The fair value model is applied to all investment property. Investment properties are independently revalued annually. Values are based on an active liquid market value and are performed by a registered independent valuer.

NOTE 10: PLANT AND EQUIPMENT

Plant and Equipment

Office furniture and equipment at cost	74,256	74,256
Less accumulated depreciation	(56,006)	(51,133)
	<u>18,250</u>	<u>23,123</u>
Computer Hardware at cost	41,467	29,967
Less accumulated depreciation	(25,431)	(22,191)
	<u>16,036</u>	<u>7,776</u>
Computer Software at cost	2,980	2,430
Less accumulated depreciation	(2,474)	(2,163)
	<u>506</u>	<u>267</u>
Motor Vehicles at cost	165,841	160,029
Less accumulated depreciation	(62,988)	(53,883)
	<u>102,853</u>	<u>106,146</u>
Total Plant and Equipment	<u>137,645</u>	<u>137,312</u>

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

	Plant and Equipment
	\$
Balance at the beginning of the year	137,312
Additions	47,751
Disposals	(14,509)
Depreciation expense	(32,909)
Carrying amount at the end of the year	<u>137,645</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

		2006	2005
		\$	\$
NOTE 11: TRADE AND OTHER PAYABLES			
CURRENT			
Trade creditors		11,787	12,028
Sundry creditors		106,090	85,163
Australian Trainers' Association – Western Australian Branch		271	255
Settlement Payment on Port Melbourne Property		-	877,500
Deferred Income		232,000	318,887
Membership Income in Advance		82,484	91,483
Audit Fees		7,600	9,000
Employee Benefits – annual leave		94,172	65,642
		534,404	1,459,958
NOTE 12: PROVISIONS			
	Note		
CURRENT			
Employee benefits – long service leave	12a	51,892	24,421
NON-CURRENT			
Employee benefits – long service leave	12a	4,249	20,027
a. Aggregate employee benefit liability		150,313	110,090
b. Number of employees at year end		6	7
NOTE 13: EMPLOYEE BENEFITS			
EMPLOYEE BENEFIT AND RELATED ON-COSTS LIABILITIES			
Included in other creditors – current (Note 11)		115,962	93,998
Provision for employee benefits – current (Note 12)		51,892	24,421
Provision for employee benefits – non-current (Note 12)		4,249	20,027
Aggregate employee benefit and related on-costs liabilities		172,103	138,446
NOTE 14: OTHER LIABILITIES			
CURRENT			
A.T.A. Industry Training Fund		1,277	3,826
		1,277	3,826

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

2006 2005
\$ \$

NOTE 15: 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 2006:

Balance at the beginning of the year	3,826	4,956
Less: Payments made	(2,549)	(1,130)
Balance at the end of the year	1,277	3,826

NOTE 16: EVENTS SUBSEQUENT TO REPORTING DATE

At the date of signing these financial report, no other matter or circumstance which has arisen since 30 June 2006 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 2006.

NOTE 17: RELATED PARTY TRANSACTIONS

a. Loan to Racing Supplies Pty Ltd

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.

964,766 695,185

b. Loan to Australian Trainers' Association – South Branch

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.

23,095 27,212

c. Transactions with Related Parties

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

South Australia Branch	2,117	2,202
West Australia Branch	795	755
Queensland Branch	1,000	1,000
New South Wales Branch	1,688	1,500
Tasmanian Branch	-	849
	5,600	6,306

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

NOTE 18: SEGMENT REPORTING

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

NOTE 19: CASH FLOW INFORMATION	2006	2005
	\$	\$
a. Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax		
Profit from ordinary activities after income tax	373,609	236,495
Non-cash flows in profit from ordinary activities		
Depreciation	32,909	40,488
Doubtful Debts	-	(7,500)
Net loss on disposal of plant and equipment	6,625	1,874
Changes in assets and liabilities:		
Decrease/(Increase) in current receivables	(9,154)	(4,537)
Decrease/(Increase) in other assets	(436)	1,010
Decrease/(Increase) in non-current receivables	(265,464)	(161,625)
Increase/(Decrease) in current payables	(48,054)	204,084
Increase/(Decrease) in current provisions	27,471	22,763
Increase/(Decrease) in other current liabilities	(2,549)	(109,765)
Increase/(Decrease) in non-current provisions	(15,778)	4,263
Cash flows from operations	99,179	227,550

**AUSTRALIAN TRAINERS' ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

NOTE 20: 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	
	2006	2005	2006	2005	2006	2005	2006	2005
Financial Assets	%	%	\$	\$	\$	\$	\$	\$
Cash at bank	2.50	2.55	344,154	248,246	-	-	-	-
Deposits at call	5.08	5.06	-	-	1,356,139	1,785,465	-	-
Loan Racing Supplies Pty Ltd	12.5	12.5	-	-	964,766	695,185	-	-
Total Financial Assets			344,154	248,246	2,320,905	2,480,650	-	-

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.

**AUSTRALIAN TRAINERS' ASSOCIATION
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NOTE 21: CHANGE IN ACCOUNTING POLICY

The following Australian Accounting Standards issued or amended and are applicable to the association but not yet effective and have not been adopted in preparation of the financial statements at reporting date.

AASB Amend-ment	AASB Standard Affected	Nature of change in Accounting Policy and Impact	Application Date of the Standard	Application Date for the Group
2005-5	AASB 1: First-time Adoption of AIFRS	No change, no impact	1 January 2006	1 July 2006
	AASB 139: Financial Instruments: Recognition and Measurement	No change, no impact	1 January 2006	1 July 2006
2005-6	AASB 3: Business Combinations	No change, no impact	1 January 2006	1 July 2006
2005-10	AASB 139: Financial Instruments: Recognition and Measurement	No change, no impact	1 January 2007	1 July 2007
	AASB 101: Presentation of Financial Statements	No change, no impact	1 January 2007	1 July 2007
	AASB 114: Segment Reporting	No change, no impact	1 January 2007	1 July 2007
	AASB 117: Leases	No change, no impact	1 January 2007	1 July 2007
	AASB 133: Earnings per Share	No change, no impact	1 January 2007	1 July 2007
	AASB 132: Financial Instruments: Disclosure and Presentation	No change, no impact	1 January 2007	1 July 2007
	AASB 1: First-time Adoption of AIFRS	No change, no impact	1 January 2007	1 July 2007
	AASB 4: Insurance Contracts	No change, no impact	1 January 2007	1 July 2007
	AASB 1023: General Insurance Contracts	No change, no impact	1 January 2007	1 July 2007
	AASB 1038: Life Insurance Contracts	No change, no impact	1 January 2007	1 July 2007
New Standard	AASB 7: Financial Instruments: Disclosure	No change, no impact	1 January 2007	1 July 2007

All other pending Standards issued between the previous financial report and the current reporting dates have no application to the association.

**AUSTRALIAN TRAINERS' ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

NOTE 21: CHANGE IN ACCOUNTING POLICY (CONTINUED)

AASB

Amendment AASB Standard Affected

2004-3	AASB 1: First-time Adoption of AIFRS AASB 101: Presentation of Financial Statements AASB 124: Related Party Disclosures
2005-1	AASB 139: Financial Instruments: Recognition and Measurement
2005-2	AASB 1023: General Insurance Contracts
2005-4	AASB 139: Financial Instruments: Recognition and Measurement AASB 132: Financial Instruments: Disclosure and Presentation
2005-9	AASB 4: Insurance Contracts AASB 1023: General Insurance Contracts AASB 139: Financial Instruments: Recognition and Measurement AASB 132: Financial Instruments: Disclosure and Presentation
2006-1	AASB 121: The Effects of Changes in Foreign Exchange Rates New Standard
New Standard	AASB 119: Employee Benefits: December 2004

NOTE 22: 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***