



FAIR WORK  
AUSTRALIA

1 December 2010

Colin Alderson  
President  
Australian Trainers Association  
Federal Branch  
PO Box 585  
Flemington VIC 3031

Dear Mr Alderson,

**Re: Fair Work (Registered Organisations) Act 2009 (RO Act)  
Financial Report for year ended 30 June 2010 - FR2010/2594**

Thank you for the financial report of the Federal Branch of the Australian Trainers Association for the year ended 30 June 2010. The documents were lodged with Fair Work Australia on 8 November 2010.

I acknowledge receipt of the Statement of Loans, Grants and Donations. The statement was lodged with Fair Work Australia on 8 November 2010. The statement has been placed on a file that is not available to the general public. However, it may be inspected during office hours by a member of your organisation in accordance with s237(4) of the RO Act.

The financial report has been filed. Therefore, no further action is required. However, please act on the following when you prepare future financial reports.

### **Employee benefits to office holders and other employees**

Item 11 of the Reporting Guidelines require reporting units to disclose in the Income Statement or the notes to the financial statements employee benefits to holders of office (item 11(g)) and employee benefits to other employees (item 11(h)).

I note that the income statement did not distinguish between employee benefits for office holders and employee benefits for other employees. I acknowledge that previous financial reports have separately disclosed employee benefits paid to office holders and employees in accordance with the Reporting Guidelines. I further acknowledge the view of the reporting unit that such disclosure would be unreasonable with respect to the position of Chief Executive Officer.

However, in future, employee benefits for office holders and other employees must be separately disclosed. This is a requirement of the Reporting Guidelines. This ensures compliance with the legislation as the Reporting Guidelines have been issued in accordance with section 255 of the RO Act.

If you have any questions, please contact me by email at [sokwei.ho@fwa.gov.au](mailto:sokwei.ho@fwa.gov.au) or on (03) 8661 7775.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Sokwei Ho', written in a cursive style.

Sokwei Ho  
Tribunal Services and Organisations

**AUSTRALIAN TRAINERS' ASSOCIATION  
FEDERAL BRANCH**

**ABN 86 182 142 206**

**COMMITTEE OF MANAGEMENT STATEMENT**

On 4<sup>th</sup> of October 2010 the Committee of Management of Australian Trainers' Association Federal Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2010:

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 which are issued by the General Manager of Fair Work Australia pursuant to s.255 of 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;
- (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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
  - (iii) the financial records for the reporting unit have been kept, as far as practicable, in a consistent manner to other reporting units of the organisation (Australian Trainers' Association); and
  - (iv) no information has been sought by request of a member of the reporting unit or the General Manager of FWA duly made under section 272 of the Fair Work (Registered Organisations) Act 2009; and
  - (v) the reporting unit has not received an order for inspection of financial records made by the General Manager of FWA under section 273 of the Fair Work (Registered Organisations) Act 2009.

Signed on behalf of the Committee of Management.



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**COLIN A ALDERSON**

President

Dated, this 4<sup>th</sup> day of October 2010

**AUSTRALIAN TRAINERS' ASSOCIATION**  
**A.B.N. 86 182 142 206**  
**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 2010.

**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 \$93,727 (2009: \$125,390).

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 state of affairs occurred during the financial year.

**FUTURE DEVELOPMENTS**

Likely developments in the operations of the branch 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 1,292 (2009: 1,345).

**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 branch employed (7 full-time and 1 casual) for the financial year ended 30 June 2010.

**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:

<b>Colin A Alderson (President)</b>	<b>Patrick Duff</b>
<b>Leon Macdonald (Vice)</b>	<b>Walter N McShane</b>
<b>Colin Webster (Vice)</b>	<b>Ross W Price</b>
<b>David Balfour</b>	<b>Robert Smerdon</b>
<b>Christine D Crook</b>	

Federal executives have been in office throughout the financial year unless otherwise indicated.

**TRUSTEE OR DIRECTOR OF SUPERANNUATION ENTITY**

No officer (Federal Executive) or member of the association is 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 OF THE ASSOCIATION**

The Association has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Association or of a related entity:

- Indemnified or made any relevant agreement for indemnifying against a liability incurred as 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.

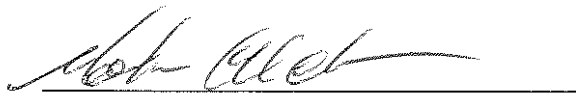
With exception of the following matters.

During the financial year the Association has paid premiums to insure all officers 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 Association, other than conduct involving a wilful breach of duty.

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.

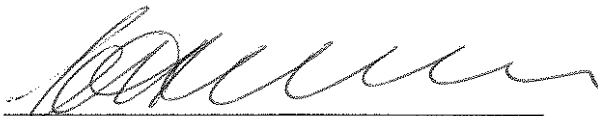
The association was not a party to any such proceedings during the year.

Signed on behalf of the Committee of Management.



**COLIN A ALDERSON**

President



**COLIN WEBSTER**

Vice President

Dated, this 4<sup>th</sup> day of October 2010

**AUSTRALIAN TRAINERS' ASSOCIATION  
FEDERAL BRANCH**

**ABN 86 182 142 206**

**INDEPENDENT AUDIT REPORT TO THE MEMBERS**

**Report on the Financial Report**

We have audited accompanying financial report of the Australian Trainers Association Federal Branch which comprises the balance sheet as at 30 June 2010 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the members of the committee.

**Committee's Responsibility for the Financial Report**

The committee of the association are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations), and the Fair Work (Registered Organisations) Act 2009. This responsibility includes designing, implementing and maintaining internal controls that are relevant to the preparation and presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

**Independence**

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

**AUSTRALIAN TRAINERS' ASSOCIATION  
FEDERAL BRANCH**

**ABN 86 182 142 206**

**INDEPENDENT AUDIT REPORT TO THE MEMBERS**

**Auditor's Opinion**

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

*C.W. Stirling & Co*

C.W. Stirling & Co  
Chartered Accountants

*John A Phillips*

John A Phillips  
Partner

Dated this 6<sup>th</sup> day of October 2010  
Melbourne

ASIC Registration Number:	10127
Professional Organisation:	The Institute of Chartered Accountants in Australia
Professional Membership Number:	72565



**AUSTRALIAN TRAINERS' ASSOCIATION  
FEDERAL BRANCH**

**ABN 86 182 142 206**


**COMMITTEE OF MANAGEMENT STATEMENT**

On 5<sup>th</sup> of October 2010 the Committee of Management of Australian Trainers' Association Federal Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2010:

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 which are issued by the General Manager of Fair Work Australia pursuant to s.255 of 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;
- (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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
  - (iii) the financial records for the reporting unit have been kept, as far as practicable, in a consistent manner to other reporting units of the organisation (Australian Trainers' Association); and
  - (iv) no information has been sought by request of a member of the reporting unit or the General Manager of FWA duly made under section 272 of the Fair Work (Registered Organisations) Act 2009; and
  - (v) the reporting unit has not received an order for inspection of financial records made by the General Manager of FWA under section 273 of the Fair Work (Registered Organisations) Act 2009.

Signed on behalf of the Committee of Management.



**COLIN A ALDERSON**

President

Dated, this 4<sup>th</sup> day of October 2010

**AUSTRALIAN TRAINERS' ASSOCIATION  
FEDERAL BRANCH**

**ABN 86 182 142 206**

**BALANCE SHEET  
AS AT 30 JUNE 2010**

	Note	2010 \$	2009 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	1,977,316	1,626,143
Trade and other receivables	5	50,539	70,137
Other current assets	6	27,542	39,446
<b>TOTAL CURRENT ASSETS</b>		<b>2,055,397</b>	<b>1,735,726</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	698,422	905,022
Financial assets	7	601,610	601,610
Investment Property	8	1,041,192	1,041,192
Property, plant and equipment	9	178,691	146,694
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,519,915</b>	<b>2,694,518</b>
<b>TOTAL ASSETS</b>		<b>4,575,312</b>	<b>4,430,244</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	352,644	310,852
Provisions	11	105,779	98,401
<b>TOTAL CURRENT LIABILITIES</b>		<b>458,423</b>	<b>409,253</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	11	2,964	793
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>2,964</b>	<b>793</b>
<b>TOTAL LIABILITIES</b>		<b>461,387</b>	<b>410,046</b>
<b>NET ASSETS</b>		<b>4,113,925</b>	<b>4,020,198</b>
<b>MEMBERS' FUNDS</b>			
Accumulated Funds		4,113,925	4,020,198
<b>TOTAL MEMBERS' FUNDS</b>		<b>4,113,925</b>	<b>4,020,198</b>

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 2010**

	Note	2010 \$	2009 \$
<b>INCOME</b>			
Administration Fees		502,546	533,786
Membership Subscriptions		122,910	131,845
Membership Levies		28,462	32,656
Membership Other Income		84,143	90,535
Racing Secretarial Services		20,013	15,352
Fees Received		59,313	63,418
Sponsorship Income		90,000	90,000
Marketing Promotions		5,998	7,698
Rental Income		84,000	84,000
Dividend Received		332,187	297,448
	<b>TOTAL INCOME</b>	<b>1,329,572</b>	<b>1,346,738</b>
<b>EXPENDITURE</b>			
Accounting fees		4,695	-
Annual Leave – Employees/Officeholders		55,706	46,928
Auditor's Remuneration		10,040	11,810
Bank Charges		759	345
Computer Expenses		12,858	15,120
Conferences		23,141	24,671
Consultancy Fees		99,239	88,292
Depreciation		71,867	37,950
Donations		-	5,050
Fringe Benefits Tax		16,453	21,023
General Expenses		3,530	3,407
Honorarium		2,000	2,000
Industrial Expenses		16,917	4,512
Insurance		6,386	5,222
Legal Costs		6,163	11,012
Long Service Leave – Employees/Officeholders		9,549	10,327

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 2010**

	Note	2010 \$	2009 \$
Membership Expenses		350,777	338,660
Membership Levies Paid	15c	3,079	3,038
Motor Vehicle Expenses		17,598	23,813
Postage		9,059	15,630
Printing & Stationery		2,092	4,677
Rent & Outgoings		31,277	30,199
Repairs & Maintenance		160	4,147
Salaries & Wages – Employees/Office Holders		522,375	544,270
State Branch Expenses Reimbursed	15c	6,329	5,000
Subscriptions		1,430	1,244
Superannuation Contributions – Employees/Office Hdrs		47,258	49,577
Telephone		13,352	14,301
Workcover Insurance		2,463	2,910
<b>TOTAL EXPENSES</b>		<b>1,346,552</b>	<b>1,325,135</b>
<b>OTHER INCOME</b>			
Interest Received – Bank		80,489	106,961
Profit on Sale of Non-current Assets		30,218	-
<b>TOTAL OTHER INCOME</b>		<b>110,707</b>	<b>106,961</b>
		<b>93,727</b>	<b>128,564</b>
<b>OTHER EXPENSES</b>			
Loss on Sale of Non-Current Assets		-	3,174
<b>SURPLUS FOR THE YEAR</b>		<b>93,727</b>	<b>125,390</b>

The accompanying notes form part of these financial statements.

**AUSTRALIAN TRAINERS' ASSOCIATION  
FEDERAL BRANCH**

**ABN 86 182 142 206**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2010**

	Note	2010 \$	2009 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from customers		1,585,988	1,033,896
General Administration Expenses & Direct Expenses		(1,241,657)	(1,405,668)
Interest received		80,489	106,961
Net cash provided by (used in) operating activities	16	<b>424,820</b>	<b>(264,811)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		103,636	908
Payment for property, plant and equipment		(177,283)	(31,744)
Net cash provided by (used in) investing activities		<b>(73,647)</b>	<b>(30,836)</b>
Net increase in cash held		351,173	(295,647)
Cash at beginning of year		1,626,143	1,921,790
Cash at end of year	4	<b>1,977,316</b>	<b>1,626,143</b>

The accompanying notes form part of these financial statements.

**AUSTRALIAN TRAINERS' ASSOCIATION  
FEDERAL BRANCH**

**ABN 86 182 142 206**

**STATEMENT OF RECOGNISED INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 30 JUNE 2010**

	<b>Retained Earnings</b>
	<b>\$</b>
<b>Balance at 1 July 2008</b>	3,894,808
Profit attributable to members	125,390
<b>Balance at 30 June 2009</b>	<u>4,020,198</u>
Profit attributable to members	93,727
<b>Balance at 30 June 2010</b>	<u><u>4,113,925</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 2010**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

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 Fair Work (Registered Organisations) Act 2009.

**Basis of preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) other authoritative pronouncements of the Australian Accounting Standards Board, and the Fair Work (Registered Organisations) Act 2009.

Australian Accounting Standards set our accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of the financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial asset and financial liabilities.

**a. Income Tax**

No provision for income tax is made as the Association, being an organisation of employers registered under the Fair Work (Registered Organisations) Act 2009, 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 less, where applicable, any accumulated depreciation and impairment losses.

**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 less depreciation and impairment losses.

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.

**AUSTRALIAN TRAINERS' ASSOCIATION  
FEDERAL BRANCH**

**ABN 86 182 142 206**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Depreciation**

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over the assets useful life 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.

Refer to note 1(l) for further details of changes in accounting policy

The depreciation rates used for each class of assets are:

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Motor Vehicles	<b>18.75% to 22.5%</b>
Office Furniture & Equipment	<b>30%</b>
Computer Hardware	<b>37.5% to 40%</b>
Computer Software	<b>37.5% to 40%</b>

**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 the Committee of Management. Changes to fair value are recorded in the statement of financial position 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.

**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 period, 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 statement of comprehensive income.

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.



**AUSTRALIAN TRAINERS' ASSOCIATION  
FEDERAL BRANCH**

**ABN 86 182 142 206**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**f. Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. 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.

**g. Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of six months or less. Bank overdrafts are shown within borrowing in current liability in the balance sheet.

**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).

**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.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components investing and financing activities, which are disclosed as operating cash flows.

**j. Comparative Figures**

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

When the association has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at balance date.

**k. Trade and other payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**AUSTRALIAN TRAINERS' ASSOCIATION  
FEDERAL BRANCH**

**ABN 86 182 142 206**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**l Change in Accounting Policy**

The association changed its accounting policy for the financial year ended 30 June 2010 in relation to depreciation. The entity has now elected to depreciate assets on a straight line basis rather than a diminishing value basis. This change has been implemented as the committee of management are of the opinion that the straight line method more truly represents the recoverable amount of the relevant assets. The effect of the change in accounting policy on the financial statements for the year ended 30 June 2010 is as follows:

	<b>Previous Policy</b>	<b>Adjustment</b>	<b>Revised Policy</b>
Income Statement			
Change in dep. Method	\$39,833	\$32,034	\$71,867

**m. New Accounting Standards for Application in Future Periods**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the association has decided not to early adopt. A discussion of those future requirements and their impact on the association is as follows:

- AASB 9: Financial Instruments and AASB 2009–11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards are applicable retrospectively and amend the classification and measurement of financial assets. The association has not yet determined any potential impact on the financial statements.

The changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
  - simplifying the requirements for embedded derivatives;
  - removing the tainting rules associated with held-to-maturity assets;
  - removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
  - allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument; and
  - requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows.
- AASB 124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, and clarifies the definition of a 'related party' to remove inconsistencies and simplify the structure of the Standard. No changes are expected to materially affect the association

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

- AASB 2009-4: Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 2 and AASB 138 and AASB Interpretations 9 & 16] (applicable for annual reporting periods commencing from 1 July 2009) and AASB 2009-5: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139] (applicable for annual reporting periods commencing from 1 January 2010).  

These Standards detail numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's annual improvements project. No changes are expected to materially affect the association.
- AASB 2009-9: Amendments to Australian Accounting Standards — Additional Exemptions for First-time Adopters [AASB 1] (applicable for annual reporting periods commencing on or after 1 January 2010).  

This Standard specifies requirements for entities using the full-cost method in place of retrospective application of Australian Accounting Standards for oil and gas assets and exempt entities with existing leasing contracts from reassessing the classification of those contracts in accordance with Interpretation 4, when the application of their previous accounting policies would have given the same outcome. These amendments are not expected to impact the association.
- AASB 2009-12: Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011).  

This Standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. The Standard also amends AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. The amendments are not expected to impact the association.
- AASB 2009-13: Amendments to Australian Accounting Standards arising from Interpretation 19 [AASB 1] (applicable for annual reporting periods commencing on or after 1 July 2010).  

This Standard makes amendments to AASB 1 arising from the issue of Interpretation 19. The amendments allow a first-time adopter to apply the transitional provisions in Standard 19. This Standard is not expected to impact the association.
- AASB 2009-14: Amendments to Australian Interpretation — Prepayments of a Minimum Funding Requirement [AASB Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2011).  

This Standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan.
- AASB Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments (applicable for annual reporting periods commencing from 1 July 2010).  

This Interpretation deals with how a debtor would account for the extinguishment of a liability through the issue of equity instruments. The Interpretation states that the issue of equity should be treated as the consideration paid to extinguish the liability, and the equity instruments issued should be recognised at their fair value unless fair value cannot be measured reliably, in which case they shall be measured at the fair value of the liability extinguished. The Interpretation deals with situations where either partial or full settlement of the liability has occurred. This Interpretation is not expected to impact the association.

The association does not anticipate early adoption of any of the above Australian Accounting Standards.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR GENERAL MANAGER OF FWA**

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:

" (1) A member of a reporting unit, or the General Manager of FWA, 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: 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 (President)*

*Leon MacDonald (Vice)*

*Colin Webster (Vice)*

*David Balfour*

*Christine D Crook*

*Patrick Duff*

*Walter N McShane*

*Ross W Price*

*Robert Smerdon*

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**

**2010**

**2009**

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

	<b>No.</b>	<b>No.</b>
\$0	8	11
\$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 2010.

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 included within the Income Statement. Full disclosure of salary and entitlements is not provided, as the committee members believe this would be unreasonable.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010**

	2010	2009
<b>NOTE 4: CASH AND CASH EQUIVALENTS</b>	\$	\$
Petty Cash Imprest	100	100
Cash at Bank	337,500	159,690
ANZ Term Deposit	391,990	303,065
ANZ Term Deposit – Leave Provision	233,469	198,546
WBC Term Deposit	1,014,257	964,742
	<b>1,977,316</b>	<b>1,626,143</b>

**NOTE 5: TRADE AND OTHER RECEIVABLES**

Note

**CURRENT**

Trade debtors	38,824	20,131
Other debtors	11,715	50,006
	<b>50,539</b>	<b>70,137</b>

**NON-CURRENT**

Amounts receivable from wholly-owned subsidiary:

Racing Supplies Pty Ltd	14a	682,655	882,430
A.T.A. South Australia Branch	14b	15,767	22,592
		<b>698,422</b>	<b>905,022</b>

**NOTE 6: OTHER ASSETS**

**CURRENT**

Prepayments	27,542	39,446
	<b>27,542</b>	<b>39,446</b>

**NOTE 7: FINANCIAL ASSETS**

Shares in controlled entity — at cost	600,004	600,004
Shares in International Companies	1,606	1,606
	<b>601,610</b>	<b>601,610</b>

**a. Controlled Entities**

Subsidiary: *Racing Supplies Pty Ltd*

Country of incorporation: *Australia*

Percentage owned: *100%* (2009: *100%*)

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010**

<b>NOTE 8: INVESTMENT PROPERTY</b>	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
Balance at the beginning of the year	1,041,192	1,041,192
	<b>1,041,192</b>	<b>1,041,192</b>

The fair value model is applied to all investment property. Investment properties are independently assessed by the Committee of Management. Values are based on an active liquid market value with input from a registered valuer.

**NOTE 9: PLANT AND EQUIPMENT**

**Plant and Equipment**

Office furniture and equipment at cost	80,434	79,743
Less accumulated depreciation	(62,941)	(51,767)
	<b>17,493</b>	<b>27,976</b>
Computer Hardware at cost	42,796	41,877
Less accumulated depreciation	(39,684)	(28,757)
	<b>3,112</b>	<b>13,120</b>
Computer Software at cost	3,420	3,420
Less accumulated depreciation	(3,420)	(2,502)
	<b>-</b>	<b>918</b>
Motor Vehicles at cost	175,672	178,864
Less accumulated depreciation	(17,586)	(74,184)
	<b>158,086</b>	<b>104,680</b>
<b>Total Plant and Equipment</b>	<b>178,691</b>	<b>146,694</b>

**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

	<b>Plant and Equipment</b>
	<b>\$</b>
Balance at 1 July 2008	156,982
Additions	31,744
Disposals	(4,082)
Depreciation expense	(37,950)
Balance at 30 June 2009	<b>146,694</b>
Additions	<b>177,283</b>
Disposals	<b>(73,419)</b>
Depreciation expense	<b>(71,867)</b>
Carrying amount at 30 June 2010	<b>178,691</b>

\*\* depreciation changed from diminishing value in 2009 to straight line basis 2010. See Note 1(l).

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010**

		<b>2010</b>	<b>2009</b>
		<b>\$</b>	<b>\$</b>
<b>NOTE 10: TRADE AND OTHER PAYABLES</b>			
<b>CURRENT</b>			
Trade payables		64,526	31,785
Sundry payables		51,526	61,478
Australian Trainers' Association – Western Australian Branch		335	490
Deferred Income		47,875	80,000
Membership Income in Advance		43,578	19,788
Audit Fees		11,000	10,800
Employee Benefits – wages/superannuation/fringe benefits tax		28,806	26,895
Employee Benefits – annual leave		104,998	79,616
		<b>352,644</b>	<b>310,852</b>
<b>NOTE 11: PROVISIONS</b>			
	<b>Note</b>		
<b>CURRENT</b>			
Employee benefits – long service leave	11a	<b>105,779</b>	<b>98,401</b>
<b>NON-CURRENT</b>			
Employee benefits – long service leave	11a	<b>2,964</b>	<b>793</b>
a. Aggregate employee benefit liability		<b>213,741</b>	<b>178,810</b>
b. Number of employees at year end		<b>7</b>	<b>7</b>
<b>NOTE 12: EMPLOYEE BENEFITS</b>			
<b>EMPLOYEE BENEFIT AND RELATED ON-COSTS LIABILITIES</b>			
Included in other payables – current (Note 10)		133,804	106,511
Provision for employee benefits – current (Note 11)		105,779	98,401
Provision for employee benefits – non-current (Note 11)		2,964	793
Aggregate employee benefit and related on-costs liabilities		<b>242,547</b>	<b>205,705</b>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010**

2010	2009
\$	\$

**NOTE 13: EVENTS SUBSEQUENT TO REPORTING DATE**

At the date of signing these financial report, no other matter or circumstance which has arisen since 30 June 2010 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 2010.

**NOTE 14: 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.

682,655	882,430
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**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.

15,767	22,592
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**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 – Membership Levies	2,064	2,048
West Australia Branch – Membership Levies	1,015	990
Queensland Branch – Expenses Reimbursed	6,329	5,000

<b>9,408</b>	<b>8,038</b>
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 15: SEGMENT REPORTING**

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

<b>NOTE 16: CASH FLOW INFORMATION</b>	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>Reconciliation of Cash Flow from Operations with Profit after Income Tax</b>		
Profit after income tax	93,727	125,390
<b>Non-cash flows in profit from ordinary activities</b>		
Depreciation	71,867	37,950
Net (profit)/loss on disposal of plant and equipment	(30,217)	3,174
<b>Changes in assets and liabilities:</b>		
Decrease/(Increase) in current receivables	19,598	(26,752)
Decrease/(Increase) in other assets	11,904	(21,773)
Decrease/(Increase) in non-current receivables	206,600	(286,090)
Increase/(Decrease) in current payables	41,792	(121,211)
Increase/(Decrease) in current provisions	7,378	25,347
Increase/(Decrease) in non-current provisions	2,171	(846)
<b>Cash flows from operations</b>	<b>424,820</b>	<b>(264,811)</b>

**NOTE 17: FINANCIAL RISK MANAGEMENT**

**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:

	<b>Weighted Average Floating Interest Rate</b>				<b>Fixed Interest Rate Maturing</b>			
	<b>Effective Interest Rate</b>				<b>Within 1 Year</b>		<b>1 to 5 Years</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
<b>Financial Assets</b>	<b>%</b>	<b>%</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash at bank	1.12	0.25	337,501	159,690	-	-	-	-
Deposits at call	4.54	3.05	-	-	1,639,715	1,466,353	-	-
<b>Total Financial Assets</b>			<b>337,501</b>	<b>159,690</b>	<b>1,639,715</b>	<b>1,466,353</b>	<b>-</b>	<b>-</b>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 18: FINANCIAL RISK MANAGEMENT (continued)**

**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 19: ASSOCIATION DETAILS**

The registered office of the association is:

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

The principal place of business is:

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

AUSTRALIAN TRAINERS ASSOCIATION

FEDERAL BRANCH

CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER  
SECTION 268 OF FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009.

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

- that the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report, was provided to members on 7<sup>th</sup> October 2010; in accordance with s265 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was presented to a general meeting of members of the reporting unit on 29<sup>th</sup> October 2010; in accordance with s266 of the Fair Work (Registered Organisations) Act 2009.



Colin Alderson

Dated, this 29<sup>th</sup> day of October, 2010