



14 November 2014

Mr John Alducci  
Chief Executive Officer, Federal Branch  
Australian Trainers' Association

Sent by email: [ata@austrainers.com.au](mailto:ata@austrainers.com.au)

Dear Mr Alducci

**Re: Lodgement of Financial Accounts and Statements – Australian Trainers Association, Federal Branch– for year ending 30 June 2014 (FR2014/134)**

I refer to the above financial report of the Australian Trainers Association, Federal Branch which was lodged with the Fair Work Commission on 3 November 2014.

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

Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

If you have any queries regarding this letter, I may be contacted on [REDACTED] or by email at [stephen.kellett@fwc.gov.au](mailto:stephen.kellett@fwc.gov.au).

Yours sincerely

Stephen Kellett  
Senior Adviser, Regulatory Compliance Branch

cc. Mr David Gauci, Deputy Chief Executive

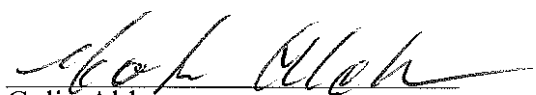
AUSTRALIAN TRAINERS ASSOCIATION

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 9<sup>th</sup> October 2014; 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 31<sup>st</sup> October 2014; in accordance with s266(1) of the Fair Work (Registered Organisations) Act 2009.

  
Colin Alderson

Dated, this 31<sup>st</sup> day of October, 2014

**AUSTRALIAN TRAINERS' ASSOCIATION  
FEDERAL BRANCH**

A.B.N. 86 182 142 206

**FINANCIAL STATEMENTS**

For the Year Ended 30 June 2014

**TABLE OF CONTENTS**

	<i>PAGE</i>
Operating Report	2 - 3
Independent Audit Report	4 - 5
Committee of Management Statement	6
Statement of Profit or Loss and Comprehensive Income	7 - 8
Statement of Financial Position	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to and Forming Part of the Financial Statements	12 - 39

## **OPERATING REPORT**

The Committee of Management submit the financial statements of Australian Trainers' Association – Federal Branch (Branch) for the financial year ended 30 June 2014.

### **PRINCIPAL ACTIVITY**

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

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

### **RESULTS AND REVIEW OF OPERATIONS**

The loss of the Branch for the financial year amounted to \$200,021 (2013 profit \$41,117).

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

### **SIGNIFICANT CHANGES**

No significant changes in the Branch state of affairs occurred during the financial year.

The rules of the organisation were updated during the financial year in accordance with requirements under the Fair Work (Registered Organisations) Amendment Act 2012.

### **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 Branch, the results of those operations, or the state of affairs of the Branch in future financial years.

### **MEMBERSHIP**

The number of members of the Branch was 1,199 (2013: 1,303).

### **RESIGNATION FROM MEMBERSHIP**

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

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

### **EMPLOYEES**

The number of employees of the Branch at financial year end: (5 full-time and 1 part-time).

**OPERATING REPORT (continued)**

**MEMBERS OF THE COMMITTEE OF MANAGEMENT**

The names of the Federal Executive Officers who have held office at any time during the year are:

Colin A Alderson (President)	Patrick Duff
Leon Macdonald (Vice President)	Walter N McShane
Colin Webster (Vice President)	Ross W Price
Richard Jolly	Robert Smerdon
Christine D Crook	

Federal Executive Officers have held office throughout the financial year unless otherwise indicated.

**TRUSTEE OR DIRECTOR OF SUPERANNUATION ENTITY**

No officer or member of the Branch 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 Branch has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Branch 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 Branch has paid premiums to insure all officers of the Association 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.

**PROCEEDINGS ON BEHALF 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 3<sup>rd</sup> day of October 2014

## **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 statement of financial position as at 30 June 2014, statement of profit or loss and comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information 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.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS (continued)**

**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, and that managements' use of the going concern basis of accounting in preparation of the financial statements is appropriate.

*C. W. Stirling & Co*

**C.W. Stirling & Co**  
Chartered Accountants

*for A Phillip*

**JOHN A PHILLIPS**  
Director

Dated this 6<sup>th</sup> day of October 2014  
Melbourne

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

**COMMITTEE OF MANAGEMENT STATEMENT**

On 3<sup>rd</sup> day of October 2014 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 2014.

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 Commission (FWC) pursuant to section 255 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act and the Fair Work (Registered Organisations) Regulations 2009 (the RO Regulations); and
  - (iv) 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; and
  - (v) no information has been sought by request of a member of the reporting unit or the General Manager of FWC duly made under section 272 of the RO Act; and
  - (vi) the reporting unit has not received an order for inspection of financial records made by the General Manager of FWC under section 273 of the RO Act.
- (f) the reporting unit has not derived revenue from undertaking recover of wages activity during the reporting period.

Signed on behalf of the Committee of Management.



**COLIN A ALDERSON**  
President

Dated, this 3<sup>rd</sup> day of October 2014



**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2014**

	Note	2014 \$	2013 \$
<b>INCOME</b>			
Membership Subscriptions		125,221	125,671
Membership Levies	4A	32,471	32,854
Membership Services		147,497	158,034
Marketing / Sponsorship Income		105,250	56,359
Administration Fees		309,000	389,000
Rental Income	4C	84,000	84,000
		<b>803,439</b>	<b>845,918</b>
<b>OTHER INCOME</b>			
Dividend Received		281,002	318,102
Interest Received – Bank	4B	82,023	102,657
Loyalty Bonus Realised		1,439	2,879
Profit on Sale of Non-current Assets	4D	-	2,315
		<b>364,464</b>	<b>425,953</b>
<b>TOTAL INCOME</b>		<b>1,167,903</b>	<b>1,271,871</b>
<b>EXPENDITURE</b>			
Auditor's Remuneration	14	14,100	12,000
Bank / Merchant Charges		2,135	1,758
Computer Expenses		2,604	3,299
Conferences		21,148	22,402
Consultancy Fees		114,451	89,797
Depreciation	5D	44,089	49,333
Donations	5C	200	300
Doubtful Debts		-	4,000
Employee Entitlements	5A	287,998	70,560
Fringe Benefits and Payroll Tax		40,730	36,848
General Expenses		4,667	3,298
Grants Paid	5C	5,000	-

*The accompanying notes form part of these financial statements.*

**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2014**

	<b>Note</b>	<b>2014</b>	<b>2013</b>
		<b>\$</b>	<b>\$</b>
<b>EXPENDITURE</b> <i>(continued)</i>			
Honorarium		2,000	2,000
Insurance		9,327	10,259
Legal Costs	5E	25,307	3,856
Membership Expenses		241,756	254,285
Membership Levies Paid	13A	805	920
Motor Vehicle Expenses		24,180	22,333
Postage		1,110	4,351
Printing & Stationery		457	1,584
Public Relations Fee		22,500	-
Rent & Outgoings		31,723	32,199
Repairs & Maintenance		288	64
Salaries & Wages	5A	525,025	504,390
Sponsorship Procurement		500	-
State Branch Expenses	13A	32,182	37,886
Subscriptions		1,541	1,767
Superannuation Contributions	5A	59,615	49,358
Telephone		8,101	9,305
Workcover Insurance		3,193	2,602
		<b>1,526,732</b>	<b>1,230,754</b>
<b>PROFIT / (LOSS) FOR THE YEAR BEFORE INCOME TAX</b>		<b>(358,829)</b>	<b>41,117</b>
Income Tax Expense	1.17	-	-
<b>PROFIT / (LOSS) FOR THE YEAR AFTER INCOME TAX</b>		<b>(358,829)</b>	<b>41,117</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<i>Items that will not be reclassified subsequent to profit or loss:</i>			
Gain on revaluation of investment property	7C	158,808	-
<b>TOTAL COMPREHENSIVE INCOME/(DEFICIT) FOR THE YEAR</b>		<b>(200,021)</b>	<b>41,117</b>

*The accompanying notes form part of these financial statements.*

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2014**

	<b>Note</b>	<b>2014</b>	<b>2013</b>
		<b>\$</b>	<b>\$</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6A	2,194,354	2,196,428
Trade and other receivables	6B	111,085	64,418
Other current assets	6C	96,251	71,939
<b>TOTAL CURRENT ASSETS</b>		<b>2,401,690</b>	<b>2,332,785</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	7A	506,504	631,446
Financial assets	7D	601,610	601,610
Investment Property	7C	1,200,000	1,041,192
Property, plant and equipment	7B	96,807	139,056
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,404,921</b>	<b>2,413,304</b>
<b>TOTAL ASSETS</b>		<b>4,806,611</b>	<b>4,746,089</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	258,904	122,396
Provisions	9	233,116	307,585
<b>TOTAL CURRENT LIABILITIES</b>		<b>492,020</b>	<b>429,981</b>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	10	-	24,163
Provisions	9	236,596	13,929
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>236,596</b>	<b>38,092</b>
<b>TOTAL LIABILITIES</b>		<b>728,616</b>	<b>468,073</b>
<b>NET ASSETS</b>		<b>4,077,995</b>	<b>4,278,016</b>
<b>MEMBERS' FUNDS</b>			
Accumulated Funds		4,077,995	4,278,016
<b>TOTAL MEMBERS' FUNDS</b>		<b>4,077,995</b>	<b>4,278,016</b>

*The accompanying notes form part of these financial statements.*

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2014**

	<b>Retained Earnings</b>
	<b>\$</b>
<b>Balance at 30 June 2012</b>	<b>4,236,899</b>
Profit attributable to members	41,117
<b>Balance at 30 June 2013</b>	<b>4,278,016</b>
Loss attributable to members	(358,829)
Other comprehensive income for the year	158,808
<b>Balance at 30 June 2014</b>	<b>4,077,995</b>

*The accompanying notes form part of these financial statements.*

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2014**

	Note	2014 \$	2013 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from customers		817,967	814,334
Receipts from other reporting units/subsidiary	13A	288,250	318,250
General Administration Expenses & Direct Expenses		(1,304,084)	(1,249,721)
Interest received	4B	82,023	102,657
<b>Net cash provided by (used in) operating activities</b>	<b>11A</b>	<b>(115,844)</b>	<b>(14,480)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		-	10,909
Payment for property, plant & equipment	7B	(1,840)	(27,216)
<b>Net cash provided by (used in) investing activities</b>		<b>(1,840)</b>	<b>(16,307)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Net movement of ATA South Australia Branch Distress Fund		(1,022)	1,165
Net movement of loan to Racing Supplies Pty Ltd		116,632	(5,204)
<b>Net cash provided by (used in) financing activities</b>		<b>115,610</b>	<b>(4,039)</b>
<b>Net increase (Decrease) in cash held</b>		<b>(2,074)</b>	<b>(34,826)</b>
Cash at beginning of year		2,196,428	2,231,254
Cash at end of year	6A	<b>2,194,354</b>	<b>2,196,428</b>

*The accompanying notes form part of these financial statements.*

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**1.1 Basis of preparation of the financial statements**

The financial report covers the Branch as an individual not-for-profit entity domiciled in Australia and registered under the RO Act.

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

**1.2 Comparative Amounts**

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

**1.3 Significant Accounting Judgements and Estimates**

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

**Key estimates – Impairment**

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

**Employee benefits**

For the purpose of measurement, AASB 119: *Employee Benefits* (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. The Association expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.4 Adoption of New and Revised Accounting Standards**

In the current year, the Association has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period.

The AASB has issued new and amended Accounting Standard and Interpretation that have mandatory application dates for future reporting periods and which the association has decided not to early adopt.

**1.5 Revenue**

Revenue is measured at the fair value of the consideration received or receivable.

Membership Revenue is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Membership Services and Marketing Income Revenue for the rendering of services provided and/or sale of goods are recognised upon their respective delivery to the customers.

Administration Fees and Sponsorship Income Revenue are recognised on an accrual basis over the term of the relevant agreement.

Interest Revenue is recognised on an accrual basis taking into account the effective interest method. Dividend Revenue is recognised upon receipt of dividend.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

**1.6 Gains**

***Sale of assets***

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

**1.7 Capitation Fees and Levies**

Levies collected as a component of Membership Subscriptions in accordance with the rules of the organisation are accounted for on an accrual basis and is recorded as revenue in the year to which it relates. Membership Levies that are paid to another reporting unit of the Association are expensed at financial year end. Capitation Fees do not apply as they are not specifically provided for under the rules of the organisation.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.8 Employee Benefits**

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

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

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

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

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

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



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.9 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

**1.10 Cash**

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

**1.11 Financial Instruments**

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.12 Financial Assets**

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

***Fair value through profit or loss***

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

***Available-for-sale***

The Association has investments in unlisted shares that are not traded in an active market that are also classified as available-for-sale financial assets and stated at fair value at acquisition date. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. Dividends on available-for-sale equity instruments are recognised in profit or loss when the Association's right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at acquisition date. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

***Loan and receivables***

Trade receivables, loans and other receivable that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying effective interest rate, except for short term receivables when the recognition of interest would be immaterial.

***Effective interest method***

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets are recognised at fair value through profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.12 Financial Assets (continued)**

***Impairment of financial assets***

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlates with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.12 Financial Assets** (continued)

***Derecognition of financial assets***

The Association derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that have been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

**1.13 Financial Liabilities**

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

***Fair value through profit or loss***

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

***Other financial liabilities***

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

***Derecognition of financial liabilities***

The reporting unit derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**1.14 Land, Buildings, Plant and Equipment**

***Asset recognition threshold***

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

***Revaluations—land and buildings***

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

***Depreciation***

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

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

<b><u>Class of Fixed Asset</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Motor Vehicles	5 years	5 years
Office Furniture & Equipment	3 – 6.5 years	3 - 6.5 years
Computer Hardware	4 years	4 years
Computer Software	3 years	3 years

***Derecognition***

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.15 Investment Property**

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

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

**1.16 Impairment for non-financial assets**

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

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

**1.17 Taxation**

Australian Trainers 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 however, still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

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

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.18 Fair value measurement**

The Association measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 15.

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

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

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

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

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

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Association has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability.

**1.19 Going Concern**

The Association is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The Association has not agreed to provide another reporting unit with financial support to ensure they can continue on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 2: REPORTING GUIDELINES**

**2.1 Information to be provided to Members or General Manager of Fair Work Commission hereinafter referred to as (FWC)**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009 (the RO Act), 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 FWC, 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)."

**2.2 Going Concern**

The reporting unit is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

**2.3 Financial Support**

The reporting unit has not agreed to provide another reporting unit with financial support to ensure they can continue on a going concern basis.

**2.4 Acquired Assets and/or Liabilities**

The reporting unit has not acquired assets and/or liabilities during the financial year as a result of:

- (1) an amalgamation under Part 2 of Chapter 3, of the RO Act in which the organisation (of which the reporting unit form part) was the amalgamated organisation; or
- (2) a restructure of the branches of the organisation; or
- (3) a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation; or
- (4) a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245(1).

**2.5 Business Combination**

The reporting unit has not acquired assets and/or liabilities during the financial year as part of a business combination.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 2: REPORTING GUIDELINES (continued)**

**2.6 Revenue – Statement of Comprehensive Income**

- (1) Membership subscriptions are collected and administered by the Federal Branch in accordance with the rules of the organisation. Membership levies reported are a component of membership subscriptions for the purpose of providing services and funding expenses that are or would otherwise be directly attributed to a state branch.
- (2) A branch that is a reporting unit will report revenue from Membership Levies Received from the Federal Branch of the organisation in the Statement of Comprehensive Income.
- (3) Capitation fees do not apply as they are not specifically provided for under the rules of the organisation.
- (4) No compulsory levies were raised from the members or as appeals for voluntary contributions (including whip arounds) for the furtherance of a particular purpose.
- (5) No donations (other than any voluntary contributions referred to in subparagraph 4).
- (6) No grants (other than any voluntary contributions referred to in subparagraph 4).
- (7) The reporting unit did not receive any other financial support from another reporting unit of the organisation.

**2.7 Expenses – Statement of Comprehensive Income**

The reporting unit has:

- (1) not incurred expenses as consideration for employers making payroll deductions of membership subscriptions;
- (2) not paid capitation fees to another reporting unit of the organisation;
- (3) not paid fees and/or periodic subscriptions in respect of an affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters;
- (4) not been imposed with compulsory levies;
- (5) reported the total amounts paid for grants and donations;
- (6) paid employee expenses related to holders of office of the reporting unit;
- (7) paid employee expenses related to employees (other than holders of offices) of the reporting unit;
- (8) not paid fees and/or allowances (other than any amount referred to in subparagraphs (6) or (7) of this paragraph) paid to persons in respect of their attendances as representatives of the reporting unit at conferences or other meetings;
- (9) reported expenses (other than expenses included in an amount referred to elsewhere in this paragraph) incurred in connection with holding meetings and/or conferences of members of the reporting unit and other branches of the organisation;
- (10) incurred legal costs for other general legal matters not comprising litigation;
- (11) not been imposed with penalties on the organisation under the RO Act with respect to conduct of the reporting unit.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 2: REPORTING GUIDELINES (continued)**

**2.8 Liabilities – Statement of Financial Position**

The reporting unit has:

- (1) no payables as consideration for employers making payroll deductions of membership subscriptions;
- (2) no payables in respect of legal costs and other expenses related to litigation or other legal matters;
- (3) employee provisions related to holders of office of the reporting unit;
- (4) employee provisions related to employees (other than holders of offices) of the reporting unit;

**2.9 Statement of Changes in Equity**

The reporting unit does not operate a fund or account in respect of compulsory levies raised by the reporting unit or voluntary contributions collected from members of the reporting unit.

**2.10 Recovery of Wages Activity**

The reporting unit has not undertaken recovery of wages activity for the financial year.

**2.11 Administration of Financial Affairs**

Financial affairs of the reporting unit are not administered by another entity.

**Note 3 EVENTS AFTER THE REPORTING PERIOD**

At the date of signing these financial report, no other matter or circumstance which has arisen since 30 June 2014 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 2014.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

	2014	2013
	\$	\$
<b>Note 4 INCOME</b>		
<b>4A: Levies</b>		
<i>Levies paid by members as a component of membership subscription</i>		
Victoria	21,744	22,168
New South Wales	6,052	5,939
South Australia	2,656	2,622
Western Australia	817	925
Queensland	1,011	1,008
Tasmania	191	192
<b>Total levies</b>	<b>32,471</b>	<b>32,854</b>
<b>4B: Interest</b>		
Deposits	82,023	102,657
<b>Total interest</b>	<b>82,023</b>	<b>102,657</b>
<b>4C: Rental Revenue</b>		
Investment Property	84,000	84,000
<b>Total rental revenue</b>	<b>84,000</b>	<b>84,000</b>
<b>4D: Net gains from sale of assets</b>		
Motor vehicles	-	2,315
<b>Total net gain from sale of assets</b>	<b>-</b>	<b>2,315</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
<b>Note 5 EXPENSES</b>		
<b>5A: Employee expenses</b>		
<b>Holders of office:</b>		
Salaries and wages	175,612	171,842
Superannuation	22,658	15,648
Leave and other entitlements	30,395	25,293
Separation and redundancies	128,562	-
<b>Sub-total employee expenses - holders of office</b>	<b>357,227</b>	<b>212,783</b>
<i>Association-owned motor vehicle provided</i>		
<b>Employees other than office holders:</b>		
Salaries and wages	349,413	332,548
Superannuation	36,957	33,710
Leave and other entitlements	49,048	45,267
Separation and redundancies	79,993	-
<b>Sub-total employee expenses - employees other than office holders</b>	<b>515,411</b>	<b>411,525</b>
<i>Association-owned motor vehicle provided</i>		
<b>Total employee expenses</b>	<b>872,638</b>	<b>624,308</b>
<b>Holders of office paid an Honorarium:</b>		
Colin Alderson (President – Federal Branch)		
Reported on the Statement of Profit and Loss and Comprehensive Income		
<b>Holders of office not paid remuneration:</b>		
No Federal Executive Officer has been paid remuneration during the financial year.		
Federal Executive Officers that have held office throughout the financial year are listed in the Operating Report.		
<b>Holders of office paid remuneration:</b>		
John Alducci (Chief Executive Officer)		
<b>5B: Key Management Personnel</b>		
Salaries and wages	318,874	308,665
Superannuation	39,245	30,270
Leave and other entitlements	54,335	45,438
Separation and redundancies	208,555	-
<b>Total key management personnel</b>	<b>621,009</b>	<b>384,373</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Note 5 EXPENSES (continued)</b>		
<b>5C: Grants or donations</b>		
Grants		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	5,000	-
Donations		
Total paid that were \$1,000 or less	200	300
Total paid that exceeded \$1,000	-	-
<b>Total grants or donations</b>	<b>5,200</b>	<b>300</b>
<b>5D: Depreciation</b>		
Computer software	4,596	4,655
Computer hardware	3,688	3,689
Motor vehicles	33,190	35,484
Office furniture & equipment	2,615	5,505
<b>Total depreciation</b>	<b>44,089</b>	<b>49,333</b>
<b>5E: Legal costs</b>		
Litigation		
Other legal matters	25,307	3,856
<b>Total legal costs</b>	<b>25,307</b>	<b>3,856</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

	2014	2013
	\$	\$
<b>Note 6 CURRENT ASSETS</b>		
<b>6A: Cash and cash equivalents</b>		
Petty Cash Imprest	100	100
Cash at Bank	271,395	172,165
Term Deposits	1,922,859	2,024,163
<b>Total cash and cash equivalents</b>	<b>2,194,354</b>	<b>2,196,428</b>
<b>6B: Trade and other receivables</b>		
<b>Trade receivables</b>		
Trade Receivables	53,285	46,277
Less: Provision for Doubtful Debts	(4,000)	(4,000)
	<b>49,285</b>	<b>42,277</b>
<b>Receivables from other reporting unit[s]</b>		
A.T.A. South Australia (Refer to Note 13)	8,310	-
A.T.A. Western Australia (Refer to Note 13)	50	20
<b>Receivable from other reporting unit[s] (net)</b>	<b>8,360</b>	<b>20</b>
<i>Expected to be settled in no more than 6 months</i>		
<b>Other Receivables</b>		
Other receivable	53,440	22,121
	<b>53,440</b>	<b>22,121</b>
<b>Total trade and other receivables</b>	<b>111,085</b>	<b>64,418</b>
<b>6C: Other current assets</b>		
Prepayments	96,251	71,939
<b>Total other current assets</b>	<b>96,251</b>	<b>71,939</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
<b>Note 7 NON-CURRENT ASSETS</b>		
<b>7A: Non-current receivables from other reporting unit[s]</b>		
A.T.A. South Australia	-	8,310
Racing Supplies Pty Ltd – subsidiary	506,504	623,136
<b>Total non-current receivables from other reporting unit[s]</b>	<b>506,504</b>	<b>631,446</b>
<b>7B: Plant and equipment</b>		
Office furniture and equipment at cost	71,995	70,820
Less accumulated depreciation	(67,478)	(65,528)
	<b>4,517</b>	<b>5,292</b>
Computer Hardware at cost	50,651	50,651
Less accumulated depreciation	(46,256)	(42,568)
	<b>4,395</b>	<b>8,083</b>
Computer Software at cost	13,957	13,957
Less accumulated depreciation	(12,055)	(7,459)
	<b>1,902</b>	<b>6,498</b>
Motor Vehicles at cost	165,952	165,952
Less accumulated depreciation	(79,959)	(46,769)
	<b>85,993</b>	<b>119,183</b>
<b>Total Plant and Equipment</b>	<b>96,807</b>	<b>139,056</b>
<b>Reconciliation of the opening and closing balances of plant and equipment</b>		
<b>As at 1 July</b>		
Gross book value	301,380	302,626
Accumulated depreciation and impairment	162,324	132,859
<b>Net book value 1 July</b>	<b>139,056</b>	<b>169,767</b>
Additions	1,840	27,216
Depreciation expense	(44,089)	(49,333)
Disposals	-	(8,594)
<b>Net book value at 30 June</b>	<b>96,807</b>	<b>139,056</b>
<b>Net book value as of 30 June represented by</b>		
Gross book value	302,555	301,380
Accumulated depreciation and impairment	(205,748)	(162,324)
<b>Net book value 30 June</b>	<b>96,807</b>	<b>139,056</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Note 7 NON-CURRENT ASSETS (continued)</b>		
<b>7C: Investment Property</b>		
Opening balance as at 1 July	1,041,192	1,041,192
Net gain from fair value adjustment	158,808	-
<b>Closing balance as at 30 June</b>	<b>1,200,000</b>	<b>1,041,192</b>

The investment property was purchased on June 2005.

A market valuation of the investment property was performed during the month of December 2013 by Lemon Baxter Pty Ltd, a long-established commercial and industrial real estate agency based in South Melbourne managing commercial property sales and leasing in and around Melbourne.

The valuation for the investment property is reported at \$1,200,000 and takes into account recent sales of properties in the vicinity, of similar configuration and zoning, and in particular properties located in the same Drive. The valuation for the lease of the investment property is reported at the approximate amount of \$89,000 net per annum plus outgoings and takes into account the current market conditions and recent leasing deals of similar styled properties in the vicinity.

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

Rental Income earned and received from the Investment Property during the year was \$84,000 (2013: \$84,000). Direct expenses and Outgoings in relation to the Investment Property are payable by the Tenant in accordance with the terms of the Operating Lease Agreement.

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

**7D: Financial Assets**

Shares in subsidiary - at cost	600,004	600,004
Shares in International Companies – at cost	1,606	1,606
	<b>601,610</b>	<b>601,610</b>

Subsidiary: **Racing Supplies Pty Ltd**

Country of incorporation: **Australia**

Percentage owned: **100%** (2013:100%)



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Note 8 CURRENT LIABILITIES</b>		
<b>8A: TRADE PAYABLES</b>		
Trade payables	38,591	8,034
<b>Sub-total trade payables</b>	<b>38,591</b>	<b>8,034</b>
<i>Settlement is usually made within 30 days from end of month.</i>		
<b>Payables to other reporting unit[s]</b>		
ATA South Australia Distress Fund (refer to note 10)	23,142	-
<b>Sub-total payables to other reporting unit[s]</b>	<b>23,142</b>	<b>-</b>
<i>Expected to be settled in no more than 6 months</i>		
<b>Reconciliation of ATA South Australian Branch Training Fund</b>		
	<b><u>2014</u></b>	<b><u>2013</u></b>
Balance as at 1 July	24,163	22,998
Payments made	(2,000)	
Interest received	696	1,165
Interest accrued	283	-
<b>Closing balance as at 30 June</b>	<b><u>23,142</u></b>	<b><u>24,163</u></b>
<b>8B: OTHER PAYABLES</b>		
Audit Fees	13,000	11,000
Deferred Income	22,291	1,693
Sundry payables	60,299	58,781
Membership Income in Advance	101,581	42,888
<b>Total other payables</b>	<b>197,171</b>	<b>114,362</b>
<i>Expected to be settled in no more than 12 months.</i>		
<b>Total trade and other payables</b>	<b><u>258,904</u></b>	<b><u>122,396</u></b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

	2014	2013
	\$	\$
<b>Note 9 PROVISIONS</b>		
<b>Office Holders</b>		
Annual leave	22,765	79,708
Long service leave	68,421	65,602
Related on-costs	15,368	11,967
Separations and redundancies	128,562	-
<b><i>Sub-total employee provisions – office holders/executive benefits</i></b>	<b>235,116</b>	<b>157,277</b>
<b>Employees other than office holders</b>		
Annual leave	50,768	73,022
Long service leave	89,413	80,095
Related on-costs	14,422	11,120
Separations and redundancies	79,993	-
<b><i>Sub-total employee provisions – employees other than office holders</i></b>	<b>236,596</b>	<b>164,237</b>
<b><i>Total provisions</i></b>	<b>469,712</b>	<b>321,514</b>
Current	233,116	307,585
Non-current	236,596	13,929
<b><i>Total employee provisions</i></b>	<b>469,712</b>	<b>321,514</b>

**Note 10 OTHER NON-CURRENT LIABILITIES**

**Non-current trade and other payables**

**Payables to other reporting unit[s]**

ATA South Australia Distress Fund ( <i>also refer to note 8A</i> )	-	24,163
--	---	--------

*Fund balance of \$23,142 as at 30 June reported under current liabilities.*

<b><i>Total non-current trade and other payables</i></b>	<b>-</b>	<b>24,163</b>
--	----------	---------------

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Note 11 CASH FLOW</b>		
<b>11A: Cash flow reconciliation</b>		
<b>Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:</b>		
<i>Cash and cash equivalents as per:</i>		
Cash flow statement	2,194,354	2,196,428
Balance sheet	2,194,354	2,196,428
<b>Difference</b>	<b>-</b>	<b>-</b>
<b>Reconciliation of profit/(deficit) to net cash from operating activities:</b>		
Profit/(deficit) after income tax	(200,021)	41,117
<b>Adjustments for non-cash items</b>		
Depreciation	44,089	49,333
Doubtful Debts	-	4,000
Fair value movement in investment property	(158,808)	-
Gain on disposal of plant and equipment	-	(2,315)
<b>Changes in assets/liabilities</b>		
Decrease/(Increase) in current receivables	(46,667)	(33,150)
Decrease/(Increase) in other assets	(24,312)	(35,282)
Decrease/(Increase) in non-current receivables	8,310	(20)
Increase/(Decrease) in current payables	137,530	(56,229)
Increase/(Decrease) in current provisions	(74,469)	13,966
Increase/(Decrease) in non-current payables	(24,163)	-
Increase/(Decrease) in non-current provisions	222,667	4,100
<b>Net cash from (used in) operating activities</b>	<b>(115,844)</b>	<b>(14,480)</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**Note 12 Contingent liabilities, assets and commitments**

**12A: Commitments and contingencies**

**Operating lease commitments – as lessee**

The Association has no future minimum rentals payable under non-cancellable operating leases as at 30 June. The Association is obligated to monthly lease payments plus outgoings for its current head office space housed within the premises at 400 Epsom Road, Flemington Victoria 3031. The monthly lease payments are indexed annually in accordance with the CPI all groups.

**Operating lease commitments – as lessor**

The Association has no future minimum rentals receivable under non-cancellable operating leases at as 30 June. The Association receives monthly rental for its investment property located at 7 / 41 Sabre Drive, Port Melbourne Victoria 3207. The monthly rental receivable is reviewed annually with discretion to apply the greater of indexed annually in accordance with the CPI all groups or the fixed rate of 3%.

**Note 13 RELATED PARTY DISCLOSURES**

**13A: Related party transactions for the reporting period**

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

	2014	2013
	\$	\$
<b>13A.1 Revenue received from</b>		
(a) <b>Membership Levies</b> (refer to note 4A)	<b>32,471</b>	<b>32,854</b>
<b>Receipts from other reporting units/subsidiary</b>		
(b) <b>Racing Supplies Pty Ltd</b>		
Administration Fees	204,000	234,000
Rental	84,000	84,000
	<b>288,000</b>	<b>318,000</b>
(c) <b>ATA Western Australia Branch</b>		
Administration Fees	250	250
<b>Total receipts from other reporting units/subsidiary</b>	<b>288,250</b>	<b>318,250</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

	2014	2013
	\$	\$
<b>13A: Related party transactions for the reporting period (continued)</b>		
<b>13A.2 Expenses paid to</b>		
(a) Racing Supplies Pty Ltd	1,837	1,226
(b) ATA Western Australia Branch		
Membership Levies Paid	805	920
(c) State Branch related expenses		
<i>Expenses directly attributed to state branches</i>		
New South Wales Branch	-	887
South Australia Branch	20,078	23,873
Queensland Branch	10,164	10,356
Tasmania Branch	1,425	2,142
Victoria Branch	515	366
Western Australia Branch	0	262
	<b>32,182</b>	<b>37,886</b>
<b>13A.3 Loans to related parties include the following:</b>		
(a) Loan to Racing Supplies Pty Ltd	506,504	623,136
(b) Loan to ATA South Australia Branch	8,310	8,310
(c) Loan to ATA Western Australia Branch	50	20
<b>Total loans to related parties</b>	<b>514,864</b>	<b>631,466</b>

**Terms and conditions of transactions with related parties**

Transactions to/from related parties are predominantly for administrative expenses, levies for the purpose of providing services and funding expenses that are or would otherwise be attributed to a state branch, and rental in relation to the investment property. Outstanding balances relating to such transactions are unsecured and interest free with settlement at year end applied to the respective loan account for the related parties.

As at date of signing the accounts, the loan to Racing Supplies Pty Ltd {13A.3(a)} is covered by a Mortgage Debenture Charge and there have been no guarantees provided or received for other related party receivables. For the year ended 30 June 2014, the Association has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2013: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Loan to the aforementioned related parties {13A.3(a) & (b)} are in the nature of working capital finance and are not subject to interest and is repayable until such time they can afford to repay the loan. Loan to the aforementioned related party {13A.3(c)} is short-term, yearend settlement not subject to interest.

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Note 14 REMUNERATION OF AUDITORS</b>		
<b>Value of the services provided</b>		
Financial statement audit services	13,400	10,900
Other services – accountancy and related advice / tax agent services	700	1,100
<b>Total remuneration of auditors</b>	<b>14,100</b>	<b>12,000</b>

**Note 15 FINANCIAL INSTRUMENTS**

**15A: Categories of financial instruments**

**Financial Assets**

Fair value through profit or loss:

Shares in subsidiary - at cost	600,004	600,004
Shares in International Companies - at cost	1,606	1,606
<b>Total</b>	<b>601,610</b>	<b>601,610</b>

Loans and receivables

Trade and other receivables	102,725	64,398
Loans to related parties	514,864	631,466
<b>Total</b>	<b>617,589</b>	<b>695,864</b>

**Carrying amount of financial assets**

**1,219,199**      **1,297,474**

**Financial Liabilities**

Other financial liabilities

Trade and other payables	134,180	79,508
<b>Carrying amount of financial liabilities</b>	<b>134,180</b>	<b>79,508</b>

**15B: 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.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**Note 15 FINANCIAL INSTRUMENTS**

**15B: Credit risk (continued)**

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

	2014	2013
	\$	\$
<b>Financial Assets</b>		
Trade receivables	53,285	46,277
Sundry receivables	53,440	22,121
<b>Total</b>	<b>106,725</b>	<b>68,398</b>
<b>Financial Liabilities</b>		
Trade payables	38,591	8,034
Sundry payables	60,299	58,781
Audit fees accrued	13,000	11,000
<b>Total</b>	<b>111,890</b>	<b>77,815</b>

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

	Not past due nor impaired	Past due or impaired	Not past due nor impaired	Past due or impaired
	2014	2014	2013	2013
Trade debtors	49,285	4,000	42,277	4,000
Sundry debtors	53,440	-	22,121	-
<b>Total</b>	<b>102,725</b>	<b>4,000</b>	<b>64,398</b>	<b>4,000</b>

**Ageing of financial assets that were past due but not impaired for 2014**

	0 to 30	31 to 60	61 to 90	90+ days	Total
	Days	Days	Days		
Trade debtors	18,149	21,378	910	8,848	49,285
Sundry Creditors	53,440	-	-	-	53,440
	<b>71,589</b>	<b>21,378</b>	<b>910</b>	<b>8,848</b>	<b>102,725</b>

**Ageing of financial assets that were past due but not impaired for 2013**

	0 to 30	31 to 60	61 to 90	90+ days	Total
	Days	Days	Days		
Trade debtors	19,065	9,032	6,645	11,535	42,277
Sundry Creditors	22,121	-	-	-	22,121
	<b>41,186</b>	<b>9,032</b>	<b>6,645</b>	<b>11,535</b>	<b>64,398</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**Note 15 FINANCIAL INSTRUMENTS**

**15B: Credit risk (continued)**

Ageing of financial assets that were past due but not impaired for 2013

	0 to 30 Days	31 to 60 Days	61 to 90 Days	90+ days	Total
Trade debtors	19,065	9,032	6,645	11,535	42,277
Sundry Creditors	22,121	-	-	-	22,121
	<b>41,186</b>	<b>9,032</b>	<b>6,645</b>	<b>11,535</b>	<b>64,398</b>

**15C: Liquidity risk**

**Contractual maturities for financial liabilities 2014**

	On demand	< 1 year	1-2 years	>2years	Total
Trade creditors	-	38,591	-	-	38,591
Sundry creditors	-	60,299	-	-	60,299
Audit fees accrued	-	13,000	-	-	13,000
	-	<b>111,890</b>	-	-	<b>111,890</b>

Maturities for financial liabilities 2013

	On demand	< 1 year	1-2 years	>2years	Total
Trade creditors	-	8,034	-	-	8,034
Sundry creditors	-	58,781	-	-	58,781
Audit fees accrued	-	11,000	-	-	11,000
	-	<b>77,815</b>	-	-	<b>77,815</b>

**15D: Market risk**

**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 Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing			
					Within 1 Year		1 to 5 Years	
	2014	2013	2014	2013	2014	2013	2013	2012
<b>Financial Assets</b>	%	%	\$	\$	\$	\$	\$	\$
Cash at bank	2.37	3.30	271,395	172,165			-	-
Deposits at call	3.94	4.78			1,900,000	2,000,000	-	-
<b>Total Financial Assets</b>			<b>271,395</b>	<b>172,165</b>	<b>1,900,000</b>	<b>2,000,000</b>	-	-



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014**

**Note 16 FAIR VALUE MEASUREMENT**

**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 17 SECTION 272 FAIR WORK (Registered Organisations) Act 2009**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or General Manager:

- (1) A member of a reporting unit, or the General Manager, 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 18 SEGMENT REPORTING**

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

**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