



24 November 2016

Mr Robbie Griffiths  
President  
Australian Trainers' Association  
400 Epsom Road  
Flemington VIC 3031

By e-mail: [ata@austrainers.com.au](mailto:ata@austrainers.com.au)

Dear Mr Griffiths

**Australian Trainers' Association  
Financial Report for the year ended 30 June 2016 - FR2016/247**

I acknowledge receipt of the amended financial report for the year ended 30 June 2016 for Australian Trainers' Association. The financial report was lodged with the Fair Work Commission (FWC) on 24 November 2016.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8656 4685 or by email at [ken.morgan@fwc.gov.au](mailto:ken.morgan@fwc.gov.au)

Yours sincerely

Ken Morgan  
Financial Reporting Advisor  
Regulatory Compliance Branch


AUSTRALIAN TRAINERS ASSOCIATION

FEDERAL BRANCH

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

I, Robbie Griffiths, 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 22 November 2016; and
- that the full report was presented to a meeting of the committee of management on 18 November 2016 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.



Robbie Griffiths

Dated, this 23<sup>rd</sup> day of November, 2016

AUSTRALIAN TRAINERS' ASSOCIATION  
FEDERAL BRANCH

**FINANCIAL STATEMENTS**

For the Year Ended 30 June 2016

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# **Australian Trainers' Association**

Federal Branch ABN 86 182 142 206

## **OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2016**

The Committee of Management submit the consolidated financial statements of Australian Trainers' Association Federal Branch ("Association") and other reporting units and entities controlled by the Association hereinafter all referred to as ("Organisation") for the financial year ended 30 June 2016.

### **PRINCIPAL ACTIVITY**

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

No significant change in the nature of these activities occurred during the financial year ended 30 June 2016.

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

The consolidated net profit for the financial year amounted to \$64,597 (2015: loss \$431,040).

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

### **SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

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

### **FUTURE DEVELOPMENTS**

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

### **EVENTS SUBSEQUENT TO BALANCE DATE**

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

### **MEMBERSHIP**

The number of members of the Association was 1,072 (2015: 1,179).

### **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 Organisation at financial year ended on 30 June 2016 were:

- 9 full-time
- 2 part-time.

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2016

(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 Alderson	<i>President</i>	<i>(resigned 15<sup>th</sup> Feb 2016)</i>
Robbie Griffiths	<i>President</i>	<i>(appointed 30<sup>th</sup> Oct 2015)</i>
Leon Macdonald	<i>Vice President</i>	
Colin Webster	<i>Vice President</i>	
Christine Crook		
Patrick Duff		
Richard Jolly		
Walter McShane		
Robert Smerdon		<i>(resigned 20<sup>th</sup> Oct 2015)</i>

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 Organisation 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

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

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

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

With exception of the following matters.

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

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

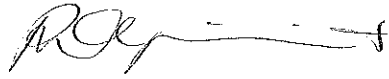
## OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2016

(continued)

### PROCEEDINGS ON BEHALF OF THE ORGANISATION

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

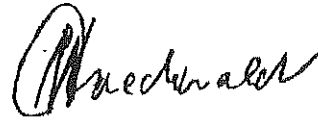
Signed on behalf of the Committee of Management.



**ROBBIE GRIFFITHS**

President

Dated, this 18<sup>th</sup> day of November 2016



**LEON MACDONALD**

Vice President

## **Australian Trainers' Association**

Federal Branch ABN 86 182 142 206

### **INDEPENDENT AUDIT REPORT TO THE MEMBERS**

#### **REPORT ON THE FINANCIAL REPORT**

We have audited the accompanying consolidated financial statements of Australian Trainers' Association Federal Branch ("Association") and other reporting units and entities controlled by the Association which comprises the statement of financial position as at 30 June 2016, statement of profit or loss and other 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 management of the Association are responsible for the preparation and fair presentation of the financial statements 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 statements 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.

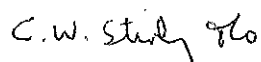
## Australian Trainers' Association

Federal Branch ABN 86 182 142 206

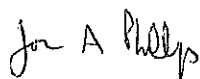
### INDEPENDENT AUDIT REPORT TO THE MEMBERS *(continued)*

#### 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**  
Chartered Accountants



**JOHN A PHILLIPS**  
Director

Dated this 18<sup>th</sup> day of November 2016  
Melbourne

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



## COMMITTEE OF MANAGEMENT STATEMENT

On 18<sup>th</sup> day of November 2016 the Committee of Management of the Australian Trainers' Association Federal Branch ("Association") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2016.

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 Association 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 Association 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 Association; 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 recovery of wages activity during the reporting period.

Signed on behalf of the Committee of Management.



**ROBBIE GRIFFITHS**

President

Dated this 18<sup>th</sup> day of November 2016

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	Note	Consolidated entity		Parent entity	
		2016 \$	2015 \$	2016 \$	2015 \$
<b>INCOME</b>					
Membership subscriptions		120,915	131,153	120,915	131,153
Membership levies	4	31,758	34,538	31,758	34,538
Membership services		131,601	133,703	131,601	133,703
Marketing / sponsorship income		121,621	115,901	121,621	115,901
Administration fees		146,131	105,000	320,532	297,350
Rental income	4	-	-	84,000	84,000
		552,026	520,295	810,427	796,645
<b>OTHER INCOME</b>					
Advertising income		12,010	14,090	-	-
Interest received – bank	4	41,308	81,744	34,236	73,422
Paget distribution		545,993	296,675	545,993	296,675
Profit on sale of non-current assets	4	1,426	18,567	1,426	18,567
Subsidiary gross contribution		638,873	644,350	-	-
Sundry income		641	866	568	86
Supplier rebates		2,167	2,357	-	-
		1,242,418	1,058,649	582,223	388,750
<b>Total income</b>		<b>1,794,444</b>	<b>1,578,944</b>	<b>1,392,650</b>	<b>1,185,395</b>
<b>EXPENDITURE</b>					
Airfares and travel		851	1,063	-	-
Auditor's remuneration	13	44,575	29,700	23,875	14,450
Bad debts written off		78	1,114	4	252
Bank and merchant charges		1,896	1,831	1,734	1,629
Computer expenses		20,890	14,826	19,823	13,611
Conferences		24,346	28,876	23,653	23,915
Consultancy fees		93,001	93,001	93,001	93,001
Depreciation	5	51,848	56,510	42,282	41,337
Doubtful debts		6,000	-	6,000	-
Employee entitlements	5	99,809	352,339	70,709	330,738
Fringe benefits and payroll tax		70,134	59,506	70,134	59,506
General expenses		3,595	5,525	3,176	4,884
Grants or donations	5	1,818	5,000	-	-
Honorarium		2,000	2,000	2,000	2,000

The above statement should be read in conjunction with the notes.

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	Note	Consolidated entity		Parent entity	
		2016 \$	2015 \$	2016 \$	2015 \$
<b>EXPENDITURE (continued)</b>					
Insurance		27,794	29,999	6,831	7,677
Legal costs	5	14,825	15,340	14,825	15,340
Marketing expenses		11,223	5,011	4,038	-
Membership expenses		113,103	295,586	113,103	294,740
Membership levies paid		-	-	1,380	1,590
Motor Vehicle expenses		60,424	55,745	29,547	19,996
Owner's corporate fees		5,583	5,092	-	-
Postage		3,063	4,251	3,063	4,251
Printing & stationery		8,577	2,656	7,053	769
Public relations fee		1,080	22,615	1,080	22,615
Rates		6,746	6,976	-	-
Rent & outgoings		37,590	37,860	33,223	32,409
Repairs & maintenance		1,166	1,113	106	57
Salaries & wages	5	877,370	757,072	654,486	538,911
Security costs		3,285	975	-	-
Sponsorship procurement fee		6,750	6,000	6,750	6,000
State branch expenses	12	20,452	18,055	20,452	18,055
Stock obsolescence provision		5,000	-	-	-
Subscriptions		1,589	1,588	1,590	1,588
Superannuation contributions	5	86,504	77,173	63,933	55,120
Telephone		10,296	10,423	8,517	9,079
Work cover insurance		6,586	5,163	4,086	2,923
<b>Total expenses</b>		<b>1,729,847</b>	<b>2,009,984</b>	<b>1,330,454</b>	<b>1,616,443</b>
Profit / (Loss) before income tax		64,597	(431,040)	62,196	(431,048)
Income Tax Expense	1.18	-	-	-	-
<b>Profit / (Loss) for the year after income tax</b>		<b>64,597</b>	<b>(431,040)</b>	<b>62,196</b>	<b>(431,048)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
<i>Items that will not be reclassified subsequent to profit or loss:</i>					
		-	-	-	-
<b>Total comprehensive income/(deficit) for the year</b>		<b>64,597</b>	<b>(431,040)</b>	<b>62,196</b>	<b>(431,048)</b>

The above statement should be read in conjunction with the notes.

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

	Note	Consolidated entity		Parent entity	
		2016	2015	2016	2015
		\$	\$	\$	\$
<b>ASSETS</b>					
<i>Current assets</i>					
Cash and cash equivalents	6	1,762,755	2,279,201	1,507,780	2,028,354
Trade and other receivables	6	312,033	279,403	107,303	53,846
Inventories	6	472,220	461,624	-	-
Other current assets	6	40,171	47,361	29,629	38,282
<b>Total current assets</b>		<b>2,587,179</b>	<b>3,067,589</b>	<b>1,644,712</b>	<b>2,120,482</b>
<i>Non-current assets</i>					
Trade and other receivables	7	-	-	509,365	537,784
Financial assets	7	-	-	600,004	600,004
Investment property	7	1,200,000	1,200,000	1,200,000	1,200,000
Property, plant and equipment	7	175,049	190,638	161,343	167,366
<b>Total non-current assets</b>		<b>1,375,049</b>	<b>1,390,638</b>	<b>2,470,712</b>	<b>2,505,154</b>
<b>TOTAL ASSETS</b>		<b>3,962,228</b>	<b>4,458,227</b>	<b>4,115,424</b>	<b>4,625,636</b>
<b>LIABILITIES</b>					
<i>Current liabilities</i>					
Trade and other payables	8	409,160	851,772	274,856	720,202
Provisions	9	160,641	275,032	114,109	236,094
<b>Total current liabilities</b>		<b>569,801</b>	<b>1,126,804</b>	<b>388,965</b>	<b>956,296</b>
<i>Non-current liabilities</i>					
Provisions	9	22,131	25,724	17,316	22,393
<b>Total non-current liabilities</b>		<b>22,131</b>	<b>25,724</b>	<b>17,316</b>	<b>22,393</b>
<b>TOTAL LIABILITIES</b>		<b>591,932</b>	<b>1,152,528</b>	<b>406,281</b>	<b>978,689</b>
<b>NET ASSETS</b>		<b>3,370,296</b>	<b>3,305,699</b>	<b>3,709,143</b>	<b>3,646,947</b>
<b>MEMBERS' FUNDS</b>					
Accumulated Funds		3,370,296	3,305,699	3,709,143	3,646,947
<b>TOTAL MEMBERS' FUNDS</b>		<b>3,370,296</b>	<b>3,305,699</b>	<b>3,709,143</b>	<b>3,646,947</b>

The above statement should be read in conjunction with the notes.

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2016

	Retained Earnings \$	Total Equity \$
<b>CONSOLIDATED</b>		
<b>Balance as at 1 July 2014</b>	<b>4,077,995</b>	<b>4,077,995</b>
Branch members' fund – ATA Western Australia branch	254,400	254,400
Transfer to/from subsidiary - Racing Supplies	(595,656)	(595,656)
	<b>3,736,739</b>	<b>3,736,739</b>
Profit / (loss) attributable to members	(431,048)	(431,048)
Transfer to/from subsidiary - Racing Supplies	2,001	2,001
Transfer to/from branch – ATA Western Australia branch	(1,993)	(1,993)
<b>Closing balance as at 30 June 2015</b>	<b>3,305,699</b>	<b>3,305,699</b>
Profit / (loss) attributable to members	62,196	62,196
Transfer to/from branch – ATA Western Australia branch	3,968	3,968
Transfer to/from subsidiary - Racing Supplies	(1,567)	(1,567)
<b>Closing balance as at 30 June 2016</b>	<b>3,370,296</b>	<b>3,370,296</b>
<b>PARENT</b>		
<b>Balance as at 1 July 2014</b>	<b>4,077,995</b>	<b>4,077,995</b>
Profit / (loss) attributable to members	(431,048)	(431,048)
<b>Balance as at 30 June 2015</b>	<b>3,646,947</b>	<b>3,646,947</b>
Profit / (loss) attributable to members	62,196	62,196
<b>Balance at 30 June 2016</b>	<b>3,709,143</b>	<b>3,709,143</b>

The above statement should be read in conjunction with the notes.

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## STATEMENT OF CASH FLOWS

For the year ended 30 June 2016

	Note	Consolidated entity		Parent entity	
		2016 \$	2015 \$	2016 \$	2015 \$
<b>Cash flow from operating activities</b>					
Receipts from customers		3,374,876	3,158,485	1,045,131	858,027
Receipts from other reporting units/subsidiary	12	-	-	258,400	276,350
General Administration Expenses & Direct Expenses		(3,897,798)	(3,315,464)	(1,851,928)	(1,248,990)
Interest received	4	41,308	81,744	34,236	73,422
<i>Net cash provided by (used in) operating activities</i>	10	<i>(481,614)</i>	<i>(75,235)</i>	<i>(514,161)</i>	<i>(41,191)</i>
<b>Cash flow from investing activities</b>					
Proceeds from sale of property, plant and equipment		105,455	84,727	105,455	84,727
Payment for property, plant & equipment	7	(140,287)	(178,256)	(140,287)	(178,256)
<i>Net cash provided by (used in) investing activities</i>		<i>(34,832)</i>	<i>(93,529)</i>	<i>(34,832)</i>	<i>(93,529)</i>
<b>Cash flow from financing activities</b>					
Net movement of loan to Racing Supplies Pty Ltd		-	-	28,419	(31,280)
<i>Net cash provided by (used in) financing activities</i>		<i>-</i>	<i>-</i>	<i>28,419</i>	<i>(31,280)</i>
<b>Net increase (Decrease) in cash held</b>		<b>(516,446)</b>	<b>(168,764)</b>	<b>(520,574)</b>	<b>(166,000)</b>
Cash at beginning of year		2,279,201	2,447,965	2,028,354	2,194,354
<b>Cash at end of year</b>	6	<b>1,762,755</b>	<b>2,279,201</b>	<b>1,507,780</b>	<b>2,028,354</b>

The above statement should be read in conjunction with the notes.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

### 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 is a not-for-profit entity domiciled in Australia with controlled entities.

#### 1.1 Basis of Preparation of the Financial Statements

The financial report covers the Australian Trainers' Association Federal Branch ("Association") as an individual entity and other reporting units and entities controlled by the Association.

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 Basis of Consolidation

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

Specifically, the Association controls an investee if and only if the Association has:

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 1.2 Basis of Consolidation *(continued)*

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

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

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

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

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

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

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

#### 1.3 Comparative Amounts

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



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.4 Significant Accounting Judgements and Estimates**

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

**Key estimates – Impairment**

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.

**1.5 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.

The Accounting Standards issued by AASB that are not yet mandatorily applicable to the Association are set out below:

- AASB 9 : Financial Instruments and associated amending standards
- AASB 15: Revenue from contracts with customers
- AASB 16: Leases

The Committee of Management anticipate the adoption of the above standards. They do not believe that they will have a material effect on the Association. Although, it is impracticable at this stage to provide a reasonable estimate of the impact (if any).

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.6 Revenue**

Revenue from the rendering of goods and services is recognised upon their respective delivery.

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. Paget distribution is recognised upon receipt of distribution.

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

**1.7 Gains**

***Sale of assets***

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

**1.8 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 2016**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.9 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 2016**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.10 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.

**1.11 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.

**1.12 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 2016**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.13 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.

***Held-to-maturity investments***

Financial assets with fixed or determinable payments and fixed maturity dates that the Association has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

***Available-for-sale***

Any investments in unlisted shares that are not traded in an active market are 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.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.13 Financial Assets (continued)**

***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 that are recognised at fair value through profit or loss.

***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 2016**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.13 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 had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

**1.14 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 2016****NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****1.15 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>Class of Asset</b>	<b>Useful Life</b>
Computer hardware	4 years
Computer software	3 years
Leasehold improvements	3 - 14 years
Motor vehicles	5 years
Office furniture & equipment	3 - 6.5 years
Plant and equipment	3 - 8 years

***Derecognition***

An item of 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 2016

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 1.16 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.

#### 1.17 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.

#### 1.18 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 2016**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.19 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 14.

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.

**1.20 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 2016**

**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 2016**

**NOTE 2: REPORTING GUIDELINES**

**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 exclusive of GST;
- (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 2016**

**NOTE 2: REPORTING GUIDELINES**

**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 and no payables in respect of other administrative 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 2016 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 2016.

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Consolidated entity		Parent entity	
	2016	2015	2016	2015
	\$	\$	\$	\$
<b>Note 4 INCOME</b>				
<b>LEVIES</b>				
<i>Levies paid by members as a component of membership subscription</i>				
Victoria	20,127	22,386	20,127	22,386
New South Wales	6,258	6,540	6,258	6,540
South Australia	2,942	2,952	2,942	2,952
Western Australia	1,398	1,521	1,398	1,521
Queensland	848	949	848	949
Tasmania	185	190	185	190
<b>Total levies</b>	<b>31,758</b>	<b>34,538</b>	<b>31,758</b>	<b>34,538</b>
<b>INTEREST</b>				
Deposits	41,308	81,744	34,236	73,422
<b>Total interest</b>	<b>41,308</b>	<b>81,744</b>	<b>34,236</b>	<b>73,422</b>
<b>RENTAL INCOME</b>				
Investment Property	-	-	84,000	84,000
<b>Total rental income</b>	<b>-</b>	<b>-</b>	<b>84,000</b>	<b>84,000</b>
<b>NET GAIN FROM SALE OF ASSETS</b>				
Motor vehicles	1,426	18,567	1,426	18,567
<b>Total net gain from sale of assets</b>	<b>1,426</b>	<b>18,567</b>	<b>1,426</b>	<b>18,567</b>

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Consolidated entity		Parent entity	
	2016	2015	2016	2015
	\$	\$	\$	\$
<b>Note 5 EXPENSES</b>				
<b>EMPLOYEE EXPENSES</b>				
<b>Holders of office:</b>				
Salaries and wages (including leave taken)	180,150	184,452	180,150	184,452
Superannuation	17,433	18,773	17,433	18,773
Leave and other entitlements	11,625	10,044	11,625	10,044
Separation and redundancies	-	171,415	-	171,415
Other Employee Expenses	11,539	12,760	11,539	12,760
	<b>220,747</b>	<b>397,444</b>	<b>220,747</b>	<b>397,444</b>
<b>Employees other than office holders:</b>				
Salaries and wages (including leave taken)	697,220	572,621	474,336	354,459
Superannuation	69,071	58,400	46,500	36,347
Leave and other entitlements	88,184	56,604	59,084	35,003
Separation and redundancies	-	114,276	-	114,276
Other employee expenses	46,060	18,693	46,060	18,693
	<b>900,535</b>	<b>820,594</b>	<b>625,980</b>	<b>558,778</b>
<b>Total employee expenses</b>	<b>1,121,282</b>	<b>1,218,038</b>	<b>846,727</b>	<b>956,222</b>

### Holders of office paid an Honorarium:

Colin Alderson, former President – Federal Branch (1<sup>st</sup> July 2015 to 30<sup>th</sup> October 2015)

Robbie Griffiths, President – Federal Branch (from 30<sup>th</sup> October 2015)

### Holders of office not paid remuneration:

Federal Executive Officers as reported in the Operating Report.

### Holders of office paid remuneration:

John Alducci, Chief Executive Officer (office from 1<sup>st</sup> July 2015 to 30<sup>th</sup> September 2015)

Andrew Nicholl, Chief Executive Officer (office from 1<sup>st</sup> October 2015)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

	Consolidated entity		Parent entity	
	2016	2015	2016	2015
	\$	\$	\$	\$
<b>Note 5 EXPENSES (continued)</b>				
<b>KEY MANAGEMENT PERSONNEL REMUNERATION</b>				
<b>Short-term employee benefits</b>				
Salary (including leave taken)	504,593	409,243	445,439	332,012
Annual leave accrued	48,553	41,366	40,726	33,590
Other employee expenses	57,599	31,453	57,599	31,453
<b>Total short-term employee benefits</b>	<b>610,745</b>	<b>482,062</b>	<b>543,764</b>	<b>397,055</b>
<b>Post-employment benefits:</b>				
Superannuation	49,076	41,629	42,919	33,934
<b>Total post-employment benefits</b>	<b>49,076</b>	<b>41,629</b>	<b>42,919</b>	<b>33,934</b>
<b>Other long-term benefits:</b>				
Long-service leave accrued	10,752	12,494	7,384	9,837
<b>Total other long-term benefits</b>	<b>10,752</b>	<b>12,494</b>	<b>7,384</b>	<b>9,837</b>
<b>Termination benefits</b>	-	-	-	285,691
<b>Total</b>	<b>670,573</b>	<b>536,185</b>	<b>594,067</b>	<b>726,517</b>



# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Consolidated entity		Parent entity	
	2016	2015	2016	2015
	\$	\$	\$	\$
<b>Note 5 EXPENSES (continued)</b>				
<b>GRANTS OR DONATIONS</b>				
Grants				
Total paid that were \$1,000 or less	-	-	-	-
Total paid that exceeded \$1,000	-	-	-	-
Donations				
Total paid that were \$1,000 or less	1,818	5,000	-	-
Total paid that exceeded \$1,000	-	-	-	-
<b>Total grants or donations</b>	<b>1,818</b>	<b>5,000</b>	<b>-</b>	<b>-</b>
<b>DEPRECIATION</b>				
Computer hardware	8,810	6,058	8,810	5,991
Computer software	4,809	3,467	4,809	3,467
Leasehold improvements	6,652	5,160	-	-
Motor vehicles	27,396	34,881	26,640	29,384
Office furniture and equipment	3,182	3,170	2,023	2,495
Plant and equipment	999	3,774	-	-
<b>Total depreciation</b>	<b>51,848</b>	<b>56,510</b>	<b>42,282</b>	<b>41,337</b>
<b>LEGAL COSTS</b>				
Litigation	-	-	-	-
Other legal matters	14,825	15,340	14,825	15,340
<b>Total legal costs</b>	<b>14,825</b>	<b>15,340</b>	<b>14,825</b>	<b>15,340</b>

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Consolidated entity		Parent entity	
	2016 \$	2015 \$	2016 \$	2015 \$
<b>Note 6 CURRENT ASSETS</b>				
<b>CASH AND CASH EQUIVALENTS</b>				
Cash at Bank	211,102	284,433	207,684	278,254
Term Deposits	1,551,057	1,994,168	1,300,000	1,750,000
Petty Cash Imprest	596	600	96	100
<b>Total cash and cash equivalents</b>	<b>1,762,755</b>	<b>2,279,201</b>	<b>1,507,780</b>	<b>2,028,354</b>
<b>TRADE AND OTHER RECEIVABLES</b>				
<b>Trade receivables</b>				
Trade Receivables	327,759	286,165	109,009	46,163
Less: Provision for Doubtful Debts	(28,000)	(22,000)	(10,000)	(4,000)
	<b>299,759</b>	<b>264,165</b>	<b>99,009</b>	<b>42,163</b>
<b>Receivables from other reporting unit[s]</b>				
	-	-	-	-
	-	-	-	-
<b>Other Receivables</b>				
Other receivable	12,274	15,238	8,294	11,683
<b>Total trade and other receivables</b>	<b>312,033</b>	<b>279,403</b>	<b>107,303</b>	<b>53,846</b>
<b>INVENTORIES</b>				
Inventory	492,220	476,624	-	-
Less: Provision for inventory obsolescence	(20,000)	(15,000)	-	-
<b>Total other current assets</b>	<b>472,220</b>	<b>461,624</b>	<b>-</b>	<b>-</b>
<b>OTHER CURRENT ASSETS</b>				
Prepayments	40,171	47,361	29,629	38,282
<b>Total other current assets</b>	<b>40,171</b>	<b>47,361</b>	<b>29,629</b>	<b>38,282</b>

# Australian Trainers' Association

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Consolidated entity		Parent entity	
	2016 \$	2015 \$	2016 \$	2015 \$
<b>Note 7 NON-CURRENT ASSETS</b>				
<b>NON-CURRENT RECEIVABLES</b>				
Racing Supplies Pty Ltd – subsidiary	-	-	509,365	537,784
<b>Total non-current receivables</b>	-	-	<b>509,365</b>	<b>537,784</b>
<b>PLANT AND EQUIPMENT</b>				
Computer Hardware at cost	84,940	83,121	83,761	81,942
Less accumulated depreciation	(62,235)	(53,425)	(61,056)	(52,246)
	<b>22,705</b>	<b>29,696</b>	<b>22,705</b>	<b>29,696</b>
Computer Software at cost	30,885	30,885	30,885	30,885
Less accumulated depreciation	(20,331)	(15,522)	(20,331)	(15,522)
	<b>10,554</b>	<b>15,363</b>	<b>10,554</b>	<b>15,363</b>
Leasehold improvements at cost	84,930	84,930	-	-
Less accumulated depreciation	(71,224)	(64,572)	-	-
	<b>13,706</b>	<b>20,358</b>	-	-
Motor Vehicles at cost	227,649	219,217	138,469	130,037
Less accumulated depreciation	(99,565)	(98,177)	(10,385)	(9,753)
	<b>128,084</b>	<b>121,040</b>	<b>128,084</b>	<b>120,284</b>
Office furniture and equipment at cost	92,226	92,226	71,995	71,995
Less accumulated depreciation	(92,226)	(89,044)	(71,995)	(69,972)
	-	<b>3,182</b>	-	<b>2,023</b>
Plant and equipment at cost	53,200	53,200	-	-
Less accumulated depreciation	(53,200)	(52,201)	-	-
	-	<b>999</b>	-	-
<b>Total Plant and Equipment</b>	<b>175,049</b>	<b>190,638</b>	<b>161,343</b>	<b>167,366</b>

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Consolidated entity		Parent entity	
	2016 \$	2015 \$	2016 \$	2015 \$
<b>Note 7 NON-CURRENT ASSETS (continued)</b>				
<b>PLANT AND EQUIPMENT</b>				
<i>Reconciliation of the opening and closing balances of plant and equipment</i>				
<b>As at 1 July</b>				
Gross book value	563,579	554,499	314,859	302,555
Accumulated depreciation and impairment	(372,941)	(419,247)	(147,493)	(205,748)
<b>Net book value 1 July</b>	<b>190,638</b>	<b>135,252</b>	<b>167,366</b>	<b>96,807</b>
Additions	140,287	178,256	140,287	178,256
Depreciation expense	(51,848)	(56,510)	(42,282)	(41,337)
Disposals	(104,028)	(66,360)	(104,028)	(66,360)
<b>Net book value at 30 June</b>	<b>175,049</b>	<b>190,638</b>	<b>161,343</b>	<b>167,366</b>
<i>Net book value as of 30 June represented by</i>				
Gross book value	573,830	563,579	325,110	314,859
Accumulated depreciation and impairment	(398,781)	(372,941)	(163,767)	(147,493)
<b>Net book value 30 June</b>	<b>175,049</b>	<b>190,638</b>	<b>161,343</b>	<b>167,366</b>

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Consolidated entity		Parent entity	
	2016	2015	2016	2015
	\$	\$	\$	\$
<b>Note 7 NON-CURRENT ASSETS</b> <i>(continued)</i>				
<b>FINANCIAL ASSETS</b>				
Shares in subsidiary - at cost	-	-	600,004	600,004

Subsidiary: **Racing Supplies Pty Ltd**

Country of incorporation: **Australia**

Percentage owned: **100%** (2015: **100%**)

### INVESTMENT PROPERTY

Investment property	1,200,000	1,200,000	1,200,000	1,200,000
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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 (2015: \$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.

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Consolidated entity		Parent entity	
	2016	2015	2016	2015
	\$	\$	\$	\$
<b>Note 8 CURRENT LIABILITIES</b>				
<b>TRADE PAYABLES</b>				
Trade payables	123,334	130,806	44,913	34,932
	<b>123,334</b>	<b>130,806</b>	<b>44,913</b>	<b>34,932</b>
<i>Settlement is usually made within 30 days from end of month.</i>				
<b>Payables to other reporting unit[s]</b>				
ATA WA Branch	-	-	80	-
	-	-	<b>80</b>	-
<b>OTHER PAYABLES</b>				
Audit Fees	37,175	26,650	20,175	13,000
Deferred Income	69,768	19,500	67,518	17,000
Legal Fees	-	7,689	-	7,689
Sundry payables	100,261	583,620	63,548	564,074
Membership Income in Advance	78,622	83,507	78,622	83,507
	<b>285,826</b>	<b>720,966</b>	<b>229,863</b>	<b>685,270</b>
<i>Expected to be settled in no more than 12 months.</i>				
<b>Total trade and other payables</b>	<b>409,160</b>	<b>851,772</b>	<b>274,856</b>	<b>720,202</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

	Consolidated entity		Parent entity	
	2016	2015	2016	2015
	\$	\$	\$	\$
<b>Note 9 PROVISIONS</b>				
<b>Office Holders</b>				
Annual leave	8,760	24,251	8,760	24,251
Long service leave	2,216	67,822	2,216	67,822
Related on-costs	2,641	9,484	2,641	9,484
Separations and redundancies	-	-	-	-
	<b>13,617</b>	<b>101,557</b>	<b>13,617</b>	<b>101,557</b>
<b>Employees other than office holders</b>				
Annual leave	77,541	61,537	64,429	53,465
Long service leave	63,651	119,115	31,249	92,566
Related on-costs	27,963	18,547	22,130	10,899
Separations and redundancies			-	-
	<b>169,155</b>	<b>199,199</b>	<b>117,808</b>	<b>156,930</b>
<b>Total provisions</b>	<b>182,772</b>	<b>300,756</b>	<b>131,425</b>	<b>258,487</b>
Current	160,641	275,032	114,109	236,094
Non-current	22,131	25,724	17,316	22,393
<b>Total provisions</b>	<b>182,772</b>	<b>300,756</b>	<b>131,425</b>	<b>258,487</b>

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Consolidated entity		Parent entity	
	2016 \$	2015 \$	2016 \$	2015 \$
<b>Note 10 CASH FLOW</b>				
<b>CASH FLOW RECONCILIATION</b>				
<i>Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:</i>				
<i>Cash and cash equivalents as per:</i>				
Cash flow statement	1,762,755	2,279,201	1,507,780	2,028,354
Balance sheet	1,762,755	2,279,201	1,507,780	2,028,354
<b>Difference</b>	-	-	-	-
<i>Reconciliation of profit/(deficit) to net cash from operating activities:</i>				
Profit/(deficit) after income tax	64,597	(431,041)	62,196	(431,048)
<b><u>Adjustments for non-cash items</u></b>				
Depreciation	51,848	56,510	42,282	41,337
Movement in shares	-	1,606	-	1,606
Gain on disposal of plant and equipment	(1,426)	(18,367)	(1,426)	(18,367)
<b><u>Changes in assets/liabilities</u></b>				
Decrease/(Increase) in current receivables	(32,630)	58,601	(53,458)	57,239
Decrease/(Increase) in inventories	(15,596)	(29,960)		
Decrease/(Increase) in other assets	7,189	60,806	8,653	57,968
Decrease/(Increase) in non-current receivables	-	-	-	-
Increase/(Decrease) in current payables	(442,611)	459,482	(445,346)	461,299
Increase/(Decrease) in current provisions	(109,392)	(19,860)	(121,985)	2,977
Increase/(Decrease) in non-current payables	-	-	-	-
Increase/(Decrease) in non-current provisions	(3,593)	(213,012)	(5,077)	(214,202)
<b>Net cash from (used in) operating activities</b>	<b>(481,614)</b>	<b>(75,235)</b>	<b>(514,161)</b>	<b>(41,191)</b>



# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

### Note 11 Contingent liabilities, assets and commitments

#### 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 of the reporting period. 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 as at 30 June of the reporting period. The Association receives monthly rental for its investment property located at Warehouse 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 12 RELATED PARTY DISCLOSURES

#### Related party transactions for the reporting period

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

	Consolidated entity		Parent entity	
	2016	2015	2016	2015
	\$	\$	\$	\$
<b>Revenue received from</b>				
<b>Membership Levies (refer to note 4)</b>	<b>31,758</b>	<b>34,538</b>	<b>31,758</b>	<b>34,538</b>
<b>Receipts from other reporting units/ subsidiary</b>				
<b>Racing Supplies Pty Ltd</b>				
Administration Fees	-	-	174,000	192,000
Rental	-	-	84,000	84,000
	-	-	<b>258,000</b>	<b>276,000</b>
<b>ATA Western Australia Branch</b>				
Administration Fees	-	-	400	350
<b>Total receipts from other reporting units/subsidiary</b>	-	-	<b>258,400</b>	<b>276,350</b>

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Consolidated entity		Parent entity	
	2016	2015	2016	2015
	\$	\$	\$	\$
<b>Related party transactions for the reporting period (continued)</b>				
<b>Expenses paid to</b>				
(a) Racing Supplies Pty Ltd	-	-	385	1,745
(b) ATA Western Australia Branch				
Membership Levies Paid	-	-	1,380	1,590
(c) State Branch related expenses				
<i>EXPENSES DIRECTLY ATTRIBUTED TO STATE BRANCHES</i>				
New South Wales Branch	790	-	790	-
Queensland Branch	10,000	10,454	10,000	10,454
South Australia Branch	4,216	3,305	4,216	3,305
Tasmania Branch	2,298	3,732	2,298	3,732
Victoria Branch	525	564	525	564
Western Australia Branch	2,623	-	2,623	-
	<b>20,452</b>	<b>18,055</b>	<b>20,452</b>	<b>18,055</b>

### Loans to related parties include the following:

Loan to Racing Supplies Pty Ltd	-	-	509,365	537,784
<b>Total loans to related parties</b>	<b>-</b>	<b>-</b>	<b>509,365</b>	<b>537,784</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.

Following the commencement of the Personal Property Security Register (PPSR), on 30 January 2012 the loan to Racing Supplies Pty Ltd, previously secured by a Mortgage Debenture Charge was automatically transferred to the PPSR. There have been no guarantees provided or received for other related party receivables. For the year ended 30 June 2016, the Association has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2015: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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

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

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Consolidated entity		Parent entity	
	2016	2015	2016	2015
	\$	\$	\$	\$
<b>Note 13 REMUNERATION OF AUDITORS</b>				
<b>Value of the services provided</b>				
Financial statement audit services	41,000	27,500	21,500	13,750
Other services – accountancy and related advice / tax agent services	3,575	2,200	2,375	700
<b>Total remuneration of auditors</b>	<b>44,575</b>	<b>29,700</b>	<b>23,875</b>	<b>14,450</b>

### Note 14 FINANCIAL INSTRUMENTS

#### CATEGORIES OF FINANCIAL INSTRUMENTS

##### Financial Assets

*Fair value through profit or loss:*

Shares in subsidiary - at cost	-	-	600,004	600,004
	-	-	<b>600,004</b>	<b>600,004</b>

##### Loans and receivables

Trade and other receivables	340,033	301,403	117,303	57,846
Loan receivable from related parties	-	-	509,365	537,784
	<b>340,033</b>	<b>301,403</b>	<b>626,668</b>	<b>595,630</b>
<b>Carrying amount of financial assets</b>	<b>340,033</b>	<b>301,403</b>	<b>1,226,672</b>	<b>1,195,634</b>

##### Financial Liabilities

*Other financial liabilities*

Loan payable to related parties	-	-	80	-
Trade and other payables	260,770	748,765	128,636	619,695
<b>Carrying amount of financial liabilities</b>	<b>260,770</b>	<b>748,765</b>	<b>128,716</b>	<b>619,695</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.

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

### Note 14 FINANCIAL INSTRUMENTS

#### CREDIT RISK (continued)

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

	Consolidated entity		Parent entity	
	2016 \$	2015 \$	2016 \$	2015 \$
<b>Financial Assets</b>				
Trade receivables	327,759	286,165	109,009	46,163
Sundry receivables	12,274	15,238	8,294	11,683
<b>Total financial assets</b>	<b>340,033</b>	<b>301,403</b>	<b>117,303</b>	<b>57,846</b>
<b>Financial Liabilities</b>				
Trade payables	123,334	130,806	44,913	34,932
Sundry payables	100,261	583,620	63,548	564,074
Audit fees accrued	37,175	26,650	20,175	13,000
Legal fees payable	-	7,689	-	7,689
<b>Total financial liabilities</b>	<b>260,770</b>	<b>748,765</b>	<b>128,636</b>	<b>619,695</b>

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

	Not past due nor impaired	Past due or impaired	Not past due nor impaired	Past due or impaired
	2016	2016	2015	2015
Trade receivables	299,759	28,000	264,165	22,000
Sundry receivables	12,274	-	15,238	-
<b>Total</b>	<b>312,033</b>	<b>28,000</b>	<b>279,403</b>	<b>22,000</b>

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

	Not past due nor impaired	Past due or impaired	Not past due nor impaired	Past due or impaired
	2016	2016	2015	2015
Trade receivables	99,009	10,000	42,163	4,000
Sundry receivables	8,294	-	11,683	-
<b>Total</b>	<b>107,303</b>	<b>10,000</b>	<b>53,846</b>	<b>4,000</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

**Note 14 FINANCIAL INSTRUMENTS**

**CREDIT RISK (continued)**

**Ageing of financial assets that were past due but not impaired for 2016 - Consolidated**

	0 to 30 Days	31 to 60 Days	61 to 90 Days	90+ days	Total
Trade receivables	283,624	13,313	308	30,514	327,759
Sundry receivables	12,274	-	-	-	12,274
	<b>295,898</b>	<b>13,313</b>	<b>308</b>	<b>30,514</b>	<b>340,033</b>

**Ageing of financial assets that were past due but not impaired for 2015 - Consolidated**

	0 to 30 Days	31 to 60 Days	61 to 90 Days	90+ days	Total
Trade receivables	216,695	43,086	283	26,101	286,165
Sundry receivables	15,238	-	-	-	15,238
	<b>231,933</b>	<b>43,086</b>	<b>283</b>	<b>26,101</b>	<b>301,403</b>

**Ageing of financial assets that were past due but not impaired for 2016 – Parent**

	0 to 30 Days	31 to 60 Days	61 to 90 Days	90+ days	Total
Trade receivables	103,914	3,712	307	1,076	109,009
Sundry receivables	8,294	-	-	-	8,294
	<b>112,208</b>	<b>3,712</b>	<b>307</b>	<b>1,076</b>	<b>117,303</b>

**Ageing of financial assets that were past due but not impaired for 2015 - Parent**

	0 to 30 Days	31 to 60 Days	61 to 90 Days	90+ days	Total
Trade receivables	18,031	23,215	283	4,634	46,163
Sundry receivables	11,683	-	-	-	11,683
	<b>29,714</b>	<b>23,215</b>	<b>283</b>	<b>4,634</b>	<b>57,846</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

**Note 14 FINANCIAL INSTRUMENTS**

**LIQUIDITY RISK**

**Contractual maturities for financial liabilities 2016 - Consolidated**

	On demand	< 1 year	1-2 years	>2years	Total
Trade creditors	-	123,334	-	-	123,334
Sundry creditors	-	100,261	-	-	100,261
Audit fees accrued	-	37,175	-	-	37,175
Legal fees payable	-	-	-	-	-
	-	<b>260,770</b>	-	-	<b>260,770</b>

**Maturities for financial liabilities 2015 - Consolidated**

	On demand	< 1 year	1-2 years	>2years	Total
Trade creditors	-	130,806	-	-	130,806
Sundry creditors	-	583,620	-	-	583,620
Audit fees accrued	-	26,650	-	-	26,650
Legal fees payable	-	7,689	-	-	7,689
	-	<b>748,765</b>	-	-	<b>748,765</b>

**Contractual maturities for financial liabilities 2016 - Parent**

	On demand	< 1 year	1-2 years	>2years	Total
Trade creditors	-	44,913	-	-	44,913
Sundry creditors	-	63,548	-	-	63,548
Audit fees accrued	-	20,175	-	-	20,175
Legal fees payable	-	-	-	-	-
	-	<b>128,636</b>	-	-	<b>128,636</b>

**Maturities for financial liabilities 2015 - Parent**

	On demand	< 1 year	1-2 years	>2years	Total
Trade creditors	-	34,932	-	-	34,932
Sundry creditors	-	564,074	-	-	564,074
Audit fees accrued	-	13,000	-	-	13,000
Legal fees payable	-	7,689	-	-	7,689
	-	<b>619,695</b>	-	-	<b>619,695</b>

# Australian Trainers' Association

Federal Branch ABN 86 182 142 206

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

### Note 14 FINANCIAL INSTRUMENTS

#### 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:

##### Consolidated

	Weighted Average		Floating Interest Rate		Fixed Interest Rate Maturing			
	Effective Interest Rate				Within 1 Year		1 to 5 Years	
	2016	2015	2016	2015	2016	2015	2016	2015
<b>Financial Assets</b>	%	%	\$	\$	\$	\$	\$	\$
Cash at bank	1.17	2.21	211,102	284,433	-	-	-	-
Deposits at call	2.17	3.65	-	-	1,551,057	1,994,168	-	-
<b>Total Financial Assets</b>			<b>211,102</b>	<b>284,433</b>	<b>1,551,057</b>	<b>1,994,168</b>	-	-

##### Parent

	Weighted Average		Floating Interest Rate		Fixed Interest Rate Maturing			
	Effective Interest Rate				Within 1 Year		1 to 5 Years	
	2016	2015	2016	2015	2016	2015	2016	2015
<b>Financial Assets</b>	%	%	\$	\$	\$	\$	\$	\$
Cash at bank	1.21	2.24	207,684	278,254	-	-	-	-
Deposits at call	2.05	3.69	-	-	1,300,000	1,750,000	-	-
<b>Total Financial Assets</b>			<b>207,684</b>	<b>278,254</b>	<b>1,300,000</b>	<b>1,750,000</b>	-	-

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

**Note 15 FAIR VALUE MEASUREMENT**

The reporting entity does not hold any financial investments, interests bearing borrowings and loans, available-for-sale financial assets, long-term fixed-rate and variable-rate receivables/borrowings as at 30 June 2016. For other assets and other liabilities the net fair value approximates their carrying value. No assets or liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts assets and liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

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

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

**Fair Value Hierarchy**

The following tables provide an analysis of material assets and liabilities that are measured at fair value, by fair value hierarchy.

**Fair value hierarchy – Consolidated 30 June 2016**

	Date of valuation	Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>		\$	\$	\$
Investment property	30/06/2016	-	1,200,000	-
<b>Total</b>		-	<b>1,200,000</b>	-

**Fair value hierarchy – Consolidated 30 June 2015**

	Date of valuation	Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>		\$	\$	\$
Investment property	30/06/2015	-	1,200,000	-
<b>Total</b>		-	<b>1,200,000</b>	-

**Fair value hierarchy – Parent 30 June 2016**

	Date of valuation	Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>		\$	\$	\$
Investment property	30/06/2016	-	1,200,000	-
<b>Total</b>		-	<b>1,200,000</b>	-

**Fair value hierarchy – Parent 30 June 2015**

	Date of valuation	Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>		\$	\$	\$
Investment property	30/06/2015	-	1,200,000	-
<b>Total</b>		-	<b>1,200,000</b>	-



# Australian Trainers' Association

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

### Note 16 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 17 SEGMENT REPORTING

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

### Note 18: CONTROLLED ENTITY

Controlled Entity Consolidated

Name of entity	Principal Activity	Percentage Controlled	
		2016	2015
Australian Trainers' Association - Western Australia Branch <i>Reporting unit of the Association</i>	Service the needs of the trainers	100%	100%
Racing Supplies Pty Ltd <i>Incorporated in Australia</i>	Sale of products used in Horse Industry	100%	100%

### Note 19 ASSOCIATION AND CONTROLLED ENTITIES

The registered office of the association:

Australian Trainers' Association – Federal Branch

1<sup>st</sup> Floor 400 Epsom Road, Flemington VIC 3031

The principal place of businesses:

- Australian Trainers' Association - Federal Branch  
1<sup>st</sup> Floor 400 Epsom Road, Flemington VIC 3031
- Australian Trainers' Association - Western Australia Branch  
157 Penguin Road, Safety Bay WA 6169
- Racing Supplies Pty Ltd  
Warehouse 7 41 Sabre Drive, Port Melbourne VIC 3207