Australian Government
Registered Organisations Commission

20 November 2019

Andrew Nicholl
Chief Executive Officer
Australian Trainers' Association
Sent via email: ata@austrainers.com.au
CC: johnp@cwstirling.com.au

Dear Andrew Nicholl,

Australian Trainers' Association
Financial Report for the year ended 30 June 2019 – (FR2019/98)

I acknowledge receipt of the financial report for the year ended 30 June 2019 for the Australian Trainers' Association. The documents were lodged with the Registered Organisations Commission (**the ROC**) on 4 November 2019.

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

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

Please note that the financial report for the year ending 30 June 2020 may be subject to an advanced compliance review.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements.

The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via this link.

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at kylie.ngo@roc.gov.au.

Yours sincerely,

Kylie Ngo
Registered Organisations Commission

AUSTRALIAN TRAINERS ASSOCIATION

FEDERAL BRANCH

CERTIFICATE OF PRESCRIBED DESIGNATED OFFICER
SECTION 268 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009.

I, Robbie Griffiths, President of the Australian Trainers Association, Federal Branch, certify:

- that the documents lodged herewith are copies of the full report for the Australian Trainers' Association, Federal Branch for the financial reporting year ending 30 June 2019, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report, was provided to members on 11th October 2019; and
- that the full report was presented to a general meeting of members of the reporting unit on 1st November 2019; in accordance with s266 of the Fair Work (Registered Organisations) Act 2009.

Robbie Griffiths

Dated, this 1st day of November, 2019

AUSTRALIAN TRAINERS' ASSOCIATION

FEDERAL BRANCH

AUDITED FINANCIAL STATEMENTS

For the Year Ended 30 June 2019

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OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2019

The Committee of Management submit the consolidated financial statements of Australian Trainers' Association Federal Branch (Reporting Unit) and other reporting units and entities controlled by the Association hereinafter all referred to as (Organisation) for the financial year ended 30 June 2019.

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 2019.

RESULTS AND REVIEW OF OPERATIONS

The consolidated net income for the financial year amounted to $108,901 (2018: $582,273 net loss).

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 Reporting Unit was 1,013 (2018: 959).

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 Reporting Unit at financial year ended 30 June 2019 were:

- 8 full-time
- 3 part-time

OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2019

(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:

Robbie Griffiths, *President*
Patrick Duff, *Vice President*
Chris Munce
Graeme McCulloch
Nigel Schuuring
Richard Jolly
Colin Webster, *elected 27/09/2018*
Pat Carey, *elected 11/10/2018*
Leon Macdonald, *resigned 2/11/2018*
Ross Price, *resigned 2/11/2018*

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 Federal Executive of the Reporting Unit is a 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.

OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2019

(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 10th day of October 2019

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN TRAINERS 'ASSOCIATION

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

OPINION

I have audited the financial report of Australian Trainers' Association Federal Branch and Controlled Entities, which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2019, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement, the subsection 255(2A) report and the Officers Declaration Statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Trainers' Association-Federal Branch and Controlled Entities as at 30 June 2019, and its financial performance and its cash flows for the year ended on that date in accordance with:

a) the Australian Accounting Standards; and
b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

I declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

BASIS FOR OPINION

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

INFORMATION OTHER THAN THE FINANCIAL REPORT AND AUDITOR'S REPORT THEREON

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information; I am required to report that fact. **I have nothing to report in this regard.**

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN TRAINERS 'ASSOCIATION

RESPONSIBILITIES OF COMMITTEE OF MANAGEMENT FOR THE FINANCIAL REPORT

The Committee of Management of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL REPORT

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN TRAINERS 'ASSOCIATION

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

I communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an auditor registered under the RO Act 2009. I am a member of The Institute of Chartered Accountants in Australia and hold a current Public Practice Certificate.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of section 257(7) of the RO Act, I am required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act. **I have nothing to report in this regard.**

C.W. Stirling & Co

C W Stirling & Co
Chartered Accountants

for A Phillips

JOHN PHILLIPS
Audit Partner

Dated this 11th day of October 2019
Melbourne

RO Act Registration number:	AA2017/33
ASIC Registration Number:	10127
Professional Organisation:	The Institute of Chartered Accountants in Australia
Professional Membership Number:	72565

COMMITTEE OF MANAGEMENT STATEMENT

On 10th day of October 2019 the Committee of Management of the Australian Trainers' Association - Federal Branch (Reporting Unit) passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2019:

The Committee of Management declares that in its opinion:

(a) the financial statements and notes comply with the Australian Accounting Standards;

(b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 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; and

(e) during the financial year to which the GPFR relates and since the end of that year:

  (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and

  (ii) the financial affairs of the Reporting Unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and

  (iii) the financial records of the Reporting Unit have been kept and maintained in accordance with the RO Act; and

  (iv) the financial records of the Reporting Unit have been kept, as far as practicable, in a consistent manner with the other reporting units of the organisation; and

  (v) no information has been sought in any request by a member of the Reporting Unit or Commissioner 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 Fair Work Commission under section 273 of the RO Act.

This declaration is made in accordance with a resolution of the Committee of Management.

Signed on behalf of the Committee of Management.

ROBBIE GRIFFITHS
President

Dated this 10th day of October 2019

OFFICER DECLARATION STATEMENT

I, Robbie Griffiths, being the President of the Australian Trainers' Association Federal Branch (Reporting Unit), declare that the following activities did not occur during the reporting period ending 30 June 2019.

The Reporting Unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern
- agree to provide financial support to another reporting unit to ensure they continue as a going concern
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees to another reporting unit
- pay affiliation fees to other entity
- pay compulsory levies
- pay legal costs relating to litigation
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

ROBBIE GRIFFITHS
President

Dated this 10th day of October 2019

EXPENDITURE REPORT
SUBSECTION 255(2A)
For the year ended 30 June 2019

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2019.

	Consolidated entity		Parent entity	
CATEGORIES OF EXPENDITURES	**2019** $	2018 $	**2019** $	2018 $
Remuneration and other employment – related costs and expenses - employees (Note 5)	1,234,167	1,282,445	922,431	964,877
Advertising - marketing/sponsorship	79,079	110,067	77,452	108,198
Operating costs	612,020	592,613	524,210	517,386
Donations to political parties	-	-	-	-
Legal Costs	12,710	16,924	12,710	14,025
	1,937,976	**2,002,049**	**1,536,803**	**1,604,486**

ROBBIE GRIFFITHS
President

Dated this 10th day of October 2019

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

		Consolidated entity		Parent entity	
		2019	2018	**2019**	2018
	Note	**$**	$	**$**	$
INCOME					
Membership subscriptions		159,782	162,534	159,782	162,534
Membership services		118,216	106,446	118,216	106,446
Marketing/Sponsorship income		217,682	206,979	217,682	206,979
Administration fees		170,695	140,000	315,146	254,450
Rental income	4	-	-	84,000	84,000
		666,375	615,959	894,826	814,409
OTHER INCOME					
Advertising income		9,160	9,160	-	-
Gain on revaluation of investment property	7	600,000	-	600,000	-
Interest received – bank	4	19,566	31,654	14,097	26,123
Paget distribution		125,999	175,676	125,999	175,676
Subsidiary gross contribution		622,224	581,475	-	-
Sundry income		3,553	5,852	696	1,407
		1,380,502	803,817	740,792	203,206
Total income		**2,046,877**	**1,419,776**	**1,635,618**	**1,017,615**
EXPENDITURE					
Airfares and travel		512	797	-	-
Auditor's remuneration	13	36,550	35,450	20,200	17,700
Bad debts written off		2,000	-	2,000	-
Bank and merchant charges		1,101	1,174	891	979
Computer expenses		23,848	24,327	22,910	23,325
Conferences		30,918	31,268	27,605	31,249
Consultancy fees		119,001	119,111	119,001	118,001
Depreciation	5	48,731	54,059	42,946	49,270
Doubtful debts write-back	6	(8,000)	-	-	-
Employee entitlements	5	108,875	124,670	80,605	96,994
Fringe benefits and payroll tax		63,796	63,605	63,796	63,605
General expenses		2,099	5,525	970	4,563
Grants or donations	5	250	250	1,180	1,320
Honorarium		2,000	2,000	2,000	2,000
Insurance		26,596	26,832	6,751	6,721
Legal costs	5	12,710	16,924	12,710	14,025

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

		Consolidated entity		Parent entity	
		2019	2018	**2019**	2018
	Note	**$**	$	$	$
EXPENDITURE *(continued)*					
Marketing/sponsorship expenses		79,079	110,067	77,452	108,198
Membership expenses		96,525	98,123	96,525	98,969
Motor vehicle expenses		68,930	68,734	28,190	31,742
Owner's corporate fees		6,017	5,996	-	-
Postage		5,946	1,774	5,946	1,774
Printing & stationery		5,108	1,214	2,779	413
Rates		5,732	5,889	-	-
Rebate - investment property		-	-	30,000	30,000
Rent & outgoings		43,482	41,909	40,643	39,411
Repairs & maintenance		4,944	2,778	5	8
Salaries & wages	*5*	973,600	1,002,291	716,497	738,520
Security costs		1,522	840	-	-
State branch expenses	*12A*	50,571	38,441	50,571	38,441
Stock obsolescence provision	*6*	10,000	-	-	-
Subscriptions		1,013	1,148	1,013	1,148
Superannuation contributions	*5*	96,557	99,534	70,194	73,413
Telephone		10,597	9,699	8,854	7,928
Work cover insurance		7,366	7,620	4,569	4,769
Total expenses		**1,937,976**	**2,002,049**	**1,536,803**	**1,604,486**
Surplus / (Deficit) before income tax		108,901	(582,273)	98,815	(586,871)
Income Tax Expense	*1.16*	-	-	-	-
Surplus / (Deficit) for the year after income tax		**108,901**	**(582,273)**	**98,815**	**(586,871)**
OTHER COMPREHENSIVE INCOME/LOSS					
Items that will not be subsequently reclassified to profit or loss					
Fair value loss on financial assets – subsidiary	*7*	-	-	(200,004)	-
Total comprehensive income/(deficit) for the year		**108,901**	**(582,273)**	**(101,189)**	**(586,871)**

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

STATEMENT OF FINANCIAL POSITION
As at 30 June 2019

		Consolidated entity		Parent entity	
		2019	2018	**2019**	2018
	Note	$	$	$	$
ASSETS					
Current assets					
Cash and cash equivalents	6	796,467	1,172,466	533,540	907,419
Trade and other receivables	6	350,066	398,206	170,905	227,355
Inventories	6	293,377	369,865	-	-
Other current assets	6	20,371	34,235	10,026	21,744
Total current assets		**1,460,281**	**1,974,772**	**714,471**	**1,156,518**
Non-current assets					
Trade and other receivables	7	-	-	271,919	363,395
Financial assets	7	-	-	400,000	600,004
Investment property	7	1,800,000	1,200,000	1,800,000	1,200,000
Property, plant and equipment	7	62,503	111,234	62,503	105,449
Total non-current assets		**1,862,503**	**1,311,234**	**2,534,422**	**2,268,848**
TOTAL ASSETS		**3,322,784**	**3,286,006**	**3,248,893**	**3,425,366**
LIABILITIES					
Current liabilities					
Trade and other payables	8	278,678	341,450	165,999	225,688
Provisions	9	272,529	281,055	197,732	218,373
Total current liabilities		**551,207**	**622,505**	**363,731**	**444,061**
Non-current liabilities					
Provisions	9	17,498	18,323	14,878	9,832
Total non-current liabilities		**17,498**	**18,323**	**14,878**	**9,832**
TOTAL LIABILITIES		**568,705**	**640,828**	**378,609**	**453,893**
NET ASSETS		**2,754,079**	**2,645,178**	**2,870,284**	**2,971,473**
MEMBERS' FUNDS					
Accumulated funds		2,754,079	2,645,178	3,070,288	2,971,473
Investment revaluation reserve	7	-	-	(200,004)	-
TOTAL MEMBERS' FUNDS		**2,754,079**	**2,645,178**	**2,870,284**	**2,971,473**

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

STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2019

	Investment Revaluation Reserve	Retained Earnings $	Total Equity $
CONSOLIDATED			
Closing balance as at 30 June 2017	**-**	**3,227,451**	**3,227,451**
Transfer to/from branch - ATA Western Australia branch	-	312	312
Transfer to/from subsidiary - Racing Supplies	-	4,286	4,286
Surplus / (Deficit) attributable to members	-	(586,871)	(586,871)
Closing balance as at 30 June 2018	**-**	**2,645,178**	**2,645,178**
Transfer to/from branch - ATA Western Australia branch	-	602	602
Transfer to/from subsidiary - Racing Supplies	-	9,484	9,484
Surplus / (Deficit) attributable to members	-	98,815	98,815
Closing balance as at 30 June 2019	**-**	**2,754,079**	**2,754,079**

PARENT			
Balance at 30 June 2017	**-**	**3,558,344**	**3,558,344**
Surplus / (Deficit) attributable to members	-	(586,871)	(586,871)
Balance at 30 June 2018	**-**	**2,971,473**	**2,971,473**
Surplus / (Deficit) attributable to members	-	98,815	(101,189)
Other comprehensive income/(loss)	(200,004)	-	-
Balance at 30 June 2019	**(200,004)**	**3,070,288**	**2,870,284**

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

STATEMENT OF CASH FLOWS
For the year ended 30 June 2019

		Consolidated entity		Parent entity	
		2019	2018	**2019**	2018
	Note	$	$	$	$
OPERATING ACTIVITIES					
Cash received					
Receipts from customers		3,185,134	2,835,038	847,520	664,366
Receipts from other reporting units/controlled entity(s)	*12A*	-	-	228,450	198,450
Interest received	*4*	19,566	31,654	14,097	26,123
Cash used					
Employees		(1,242,829)	(1,290,100)	(931,093)	(972,532)
Suppliers		(2,337,870)	(2,213,113)	(623,399)	(533,169)
Payment to other reporting units/controlled entity(s)		-	-	(930)	(1,070)
Net cash provided by (used in) operating activities	*10*	**(375,999)**	**(636,521)**	**(465,355)**	**(617,832)**
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant & equipment	*7*	-	(29,643)	-	(29,643)
Net cash provided by (used in) investing activities		**-**	**(29,643)**	**-**	**(29,643)**
FINANCING ACTIVITIES					
Cash used					
Repayment from (loan to) Racing Supplies Pty Ltd		-	-	91,476	(22,267)
Net cash provided by (used in) financing activities		**-**	**-**	**91,476**	**(22,267)**
Net increase (Decrease) in cash held		**(375,999)**	**(666,164)**	**(373,879)**	**(669,742)**
Cash at beginning of year		1,172,466	1,838,630	907,419	1,577,161
Cash at end of year	*6*	**796,467**	**1,172,466**	**533,540**	**907,419**

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report covers the Australian Trainers' Association Federal Branch (Reporting Unit) as an individual not-for-profit entity registered under the Fair Work (Registered Organisations) Act 2009 (the RO Act) is domiciled in Australia with other reporting units and entities controlled by the Reporting Unit hereinafter referred to as (Organisation).

1.1 Basis of Preparation of the Financial Statements

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 Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Reporting Unit is a not-for-profit entity.

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 Reporting Unit and its controlled entities; Australian Trainers' Association Western Australia branch - reporting unit; and Racing Supplies Pty Limited - wholly-owned subsidiary of the Reporting Unit. Control is achieved where the Reporting Unit 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 its controlled entities.

Specifically, the Reporting Unit controls an investee if and only if the Reporting Unit 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 Reporting Unit has less than a majority of the voting or similar rights of an investee, the Reporting Unit 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 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.2 Basis of Consolidation *(continued)*

The Reporting Unit 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 Reporting Unit obtains control over the subsidiary and ceases when the Reporting Unit 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 Reporting Unit gains control until the date the Reporting Unit 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 Reporting Unit 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 Reporting Unit.

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

Changes in the Reporting Unit ownership interests in subsidiaries that do not result in the Reporting Unit losing control are accounted for as equity transactions. The carrying amounts of the Reporting Unit 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 Reporting Unit.

When the Reporting Unit 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 Reporting Unit 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 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.4 Significant Accounting Judgements and Estimates

The Reporting Unit 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 of assets

The Reporting Unit assesses impairment at each reporting date by evaluating conditions specific to the Reporting Unit 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* 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 Reporting Unit 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 New and amended Accounting Standards

Amendments to Accounting Standards that are mandatorily effective for the current reporting period

The Reporting Unit has adopted all new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2018.

New and revised Standards and amendments thereof and interpretations effective for the current year that are relevant to the Reporting Unit include:

- AASB 9 Financial Instruments and related amending Standards

AASB 9 Financial Instruments and related amending Standards

In the current year, the Reporting Unit has applied AASB 9 Financial Instruments (as amended) and the related consequential amendments to other Accounting Standards that are effective for an annual period that begins on or after 1 July 2018. The transition provisions of AASB 9 allow an entity not to restate comparatives. The Reporting Unit has elected not to restate comparatives in respect of the classification and measurement of financial instruments. Differences arising from adoption of AASB 9 have been recognised in opening retained earnings and other components of equity as at 1st July 2018.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.5 New and amended Accounting Standards

AASB 9 Financial Instruments and related amending Standards *(continued)*

AASB 9 introduced new requirements for:
- The classification and measurement of financial assets and financial liabilities,
- Impairment of financial assets, and
- General hedge accounting

Refer to Note 1.12 Financial Instruments.

The introduction of the new financial instruments standard has no material impact on the Reporting Unit's financial position, profit or loss, other comprehensive income or total comprehensive income in the financial year.

New Accounting Standards for Application in Future Periods
The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the company. The Committee of Management have decided not to early adopt any of the new and amended pronouncements. Their assessment of the pronouncements that are relevant to the company but applicable in future reporting periods is set out below:

AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019). When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard are as follows:
(i) Recognition of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
(ii) Depreciation of right-of-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
(iii) Inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
(iv) Application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
(v) Inclusion of additional disclosure requirements.

The introduction of the new Leases Standard will not have a material impact on the Reporting Unit's financial position, profit or loss and other comprehensive income.

AASB 2016-7: Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities.

This Standard amends the mandatory effective date (application date) of AASB 15: Revenue from Contracts with Customers for not-for-profit entities so that AASB 15 is required to be applied by such entities for annual reporting periods beginning on or after 1 January 2019 instead of 1 January 2018.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.5 New and amended Accounting Standards
New Accounting Standards for Application in Future Periods *(continued)*

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principle-based model. Apart from a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

(i) Identity the contract(s) with a customer;
(ii) Identify the performance obligations in the contract(s);
(iii) Determine the transaction price;
(iv) Allocate the transaction price to the performance obligations in the contract(s); and
(v) Recognise revenue when (or as) the performance obligations are satisfied.

The transitional provisions of this Standard permit an entity to either:

- Restate the contracts that existed in each prior period presented per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors (subject to certain practical expedients in AASB 15); or
- Recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application.

There are also enhanced disclosure requirements regarding revenue.

The Committee of Management do not believe that this Standard will have a material impact on the Reporting Unit.

AASB 1058 Income for Not-for-Profit Entities

This Standard will defer income recognition in some circumstances for not-for-profit entities, particularly where there is a performance obligation or any other liability. In addition, certain components in an arrangement as donation, may be separated from other types of income and recognised immediately. This Standard is applicable for annual reporting periods beginning on or after 1st July 2019.

The Committee of Management do not believe that this Standard will have a material impact on the Reporting Unit.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

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.

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. Other income is recognised on an accrual basis and is recorded as revenue in the year to which relates.

Rental revenue from operating lease 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 Classification Change

In the current year, the Committee of Management has adopted a change to income classification that replaces Members Levies Paid with Grants paid so that it is consistent with the mode of payment made and administered by the Federal Branch of the organisation.

The comparative figures have been adjusted to conform to change in presentation for the current financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

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 Reporting Unit 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 Reporting Unit's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the Reporting Unit 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 2019

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

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Reporting Unit becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the Reporting Unit commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are recognised immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are used.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15: *Revenue from Contracts with Customers*.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.12 Financial Instruments *(continued)*

Classification and subsequent measurement

Financial Liabilities

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. The effective interest rate method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense over in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Financial Assets

Financial instruments are subsequently measured at:

- amortised cost
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contracted cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows, collection and selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.12 Financial Instruments *(continued)*

The Reporting Unit initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies that cash flows otherwise required by the contract.

The initial designation of financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity Instruments

On initial recognition, the Reporting Unit may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not to be reclassified to profit or loss on disposal of the equity instruments, instead, it is transferred to retained earnings.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.12 Financial Instruments *(continued)*

Derecognition of Financial Liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss

Derecognition of Financial Assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the assets is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset;

- the right to receive cash flows from the asset has expired or been transferred;
- all risks and rewards or ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (i.e. has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Impairment

I. **Trade receivables**

For trade receivables that do not have a significant financing component, the Reporting Unit applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Reporting Unit does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Reporting Unit has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

II. **Debt instruments other than trade receivables**

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Reporting Unit recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Reporting Unit expects to receive, discounted at an approximation of the original effective interest rate.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.12 Financial Instruments

Impairment *(continued)*

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Reporting Unit considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Reporting Unit may consider a financial asset to be in default when internal or external information indicates that the Reporting Unit is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

1.13 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.

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:

Class of Asset	Useful Life
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 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.14 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.

1.15 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 Reporting Unit 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 Reporting Unit were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.16 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 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.17 Fair value measurement

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

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

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

The principal or the most advantageous market must be accessible by the Reporting Unit. 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 Reporting Unit 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 Reporting Unit has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 2 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 Sub-Sections (1), (2) and (3) of Section 272, which read as follows:

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

Note 3 EVENTS AFTER THE REPORTING PERIOD
At the date of signing these financial report, no other matter or circumstance which has arisen since 30 June 2019 has significantly affected or may significantly affect:

(i) the operation of the Reporting Unit;
(ii) the results of those operations; or
(iii) the state of affairs of the Reporting Unit subsequent to 30 June 2019.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Consolidated entity		Parent entity	
	2019	2018	**2019**	2018
	$	$	$	$
Note 4 INCOME				
INTEREST				
Deposits	19,566	31,654	14,097	26,123
Total interest	**19,566**	**31,654**	**14,097**	**26,123**
RENTAL INCOME				
Investment Property	-	-	84,000	84,000
Total rental income	**-**	**-**	**84,000**	**84,000**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Consolidated entity		Parent entity	
	2019	2018	**2019**	2018
	$	$	**$**	$
Note 5 EXPENSES				
EMPLOYEE EXPENSES				
Holders of office:				
Salaries and wages	190,238	184,643	190,238	184,643
Superannuation	19,416	18,627	19,416	18,627
Leave and other entitlements	23,016	23,334	23,016	23,334
Separation and redundancies	-	-	-	-
Other employee expenses	7,876	10,102	7,876	10,102
Sub-total employee expenses holders of office	**240,546**	**236,706**	**240,546**	**236,706**
Employees other than office holders:				
Salaries and wages	783,362	817,648	526,259	553,877
Superannuation	77,141	80,907	50,778	54,786
Leave and other entitlements	85,859	101,336	57,589	73,660
Separation and redundancies	-	-	-	-
Other employee expenses	47,259	45,848	47,259	45,848
Sub-total employee expenses employees other than holders of office	**993,621**	**1,045,739**	**681,885**	**728,171**
Total employee expenses	**1,234,167**	**1,282,445**	**922,431**	**964,877**

Holders of office paid an Honorarium:

Robbie Griffiths, President – Federal branch

Reported on the Parent entity's Statement of Comprehensive Income

Holders of office not paid remuneration:

No Federal Executive Officer has been paid remuneration during the financial year.

Federal Executive Officers that have held office throughout the financial year are reported in the Operating Report.

Holders of office paid remuneration:

Andrew Nicholl, Chief Executive Officer – Federal Branch

Payment to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit:

Total allowances	6,209	12,744	6,209	12,744
Total fees	-	-	-	-
Total allowances and fees	**6,209**	**12,744**	**6,209**	**12,744**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Consolidated entity		Parent entity	
	2019	2018	**2019**	2018
	$	$	$	$
Note 5 EXPENSES *(continued)*				
GRANTS OR DONATIONS				
Grants				
Total paid that were $1,000 or less	-	-	930	-
Total paid that exceeded $1,000	-	-	-	1,070
Donations				
Total paid that were $1,000 or less	250	250	250	250
Total paid that exceeded $1,000	-	-	-	-
Total grants or donations	**250**	**250**	**1,180**	**1,320**
DEPRECIATION				
Computer hardware	7,927	12,625	7,927	12,625
Computer software	5,504	7,282	5,504	7,282
Leasehold improvements	4,746	4,480	-	-
Motor vehicles	28,733	28,003	27,694	27,694
Office furniture and equipment	1,821	1,669	1,821	1,669
Total depreciation	**48,731**	**54,059**	**42,946**	**49,270**
LEGAL COSTS				
Other legal matters	12,710	16,924	12,710	14,025
Total legal costs	**12,710**	**16,924**	**12,710**	**14,025**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Consolidated entity		Parent entity	
	2019	2018	**2019**	2018
	$	$	**$**	$
Note 6 CURRENT ASSETS				
CASH AND CASH EQUIVALENTS				
Cash at Bank	236,298	417,537	233,440	407,319
Term Deposits	559,569	754,329	300,000	500,000
Petty Cash Imprest	600	600	100	100
Total cash and cash equivalents	**796,467**	**1,172,466**	**533,540**	**907,419**
TRADE AND OTHER RECEIVABLES				
Trade receivables				
Trade Receivables	213,340	241,443	26,296	53,574
Less: Provision for Doubtful Debts	(20,000)	(28,000)	(10,000)	(10,000)
	193,340	**213,443**	**16,296**	**43,574**
Receivables from other reporting unit[s]				
ATA Western Australia branch	-	-	1,622	880
	-	-	**1,622**	**880**
Other Receivables				
Other receivable	156,726	184,763	152,987	182,901
Total trade and other receivables	**350,066**	**398,206**	**170,905**	**227,355**
INVENTORIES				
Inventory	323,377	389,865	-	-
Less: Provision for inventory obsolescence	(30,000)	(20,000)	-	-
Total other current assets	**293,377**	**369,865**	-	-
OTHER CURRENT ASSETS				
Prepayments	20,371	34,235	10,026	21,744
Total other current assets	**20,371**	**34,235**	**10,026**	**21,744**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Consolidated entity		Parent entity	
	2019	2018	**2019**	2018
	$	$	$	$
Note 7 NON-CURRENT ASSETS				
NON-CURRENT RECEIVABLES				
Racing Supplies Pty Ltd – subsidiary	-	-	271,919	363,395
Total non-current receivables	-	-	**271,919**	**363,395**
PLANT AND EQUIPMENT				
Computer Hardware at cost	51,961	53,140	51,961	51,961
Less accumulated depreciation	(51,961)	(45,213)	(51,961)	(44,034)
	-	**7,927**	-	**7,927**
Computer Software at cost	35,921	35,921	35,921	35,921
Less accumulated depreciation	(24,034)	(18,530)	(24,034)	(18,530)
	11,887	**17,391**	**11,887**	**17,391**
Leasehold improvements at cost	97,832	84,930	-	-
Less accumulated depreciation	(97,832)	(80,184)	-	-
	-	**4,746**	-	-
Motor Vehicles at cost	229,189	229,189	138,469	138,469
Less accumulated depreciation	(184,187)	(155,453)	(93,467)	(65,772)
	45,002	**73,736**	**45,002**	**72,697**
Office furniture and equipment at cost	61,030	74,278	54,356	54,356
Less accumulated depreciation	(55,416)	(66,844)	(48,742)	(46,922)
	5,614	**7,434**	**5,614**	**7,434**
Plant and equipment at cost	51,640	53,200	-	-
Less accumulated depreciation	(51,640)	(53,200)	-	-
	-	-	-	-
Total plant and equipment	**62,503**	**111,234**	**62,503**	**105,449**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Consolidated entity		Parent entity	
	2019	2018	**2019**	2018
	$	$	$	$
Note 7 NON-CURRENT ASSETS *(continued)*				
PLANT AND EQUIPMENT				
Reconciliation of the opening and closing balances of plant and equipment				
As at 1 July				
Gross book value	530,658	501,015	280,707	251,064
Accumulated depreciation and impairment	(419,424)	(365,365)	(175,258)	(125,988)
Net book value 1 July	**111,234**	**135,650**	**105,449**	**125,076**
ADDITIONS:				
By purchase	-	29,643	-	29,643
Depreciation expense	(48,731)	(54,059)	(42,946)	(49,270)
Disposals:				
Other - gross book value	(3,085)	-	-	-
Other - accumulated depreciation	3,085	-	-	-
Net book value at 30 June	**62,503**	**111,234**	**62,503**	**105,449**
Net book value as of 30 June represented by				
Gross book value	527,573	530,658	280,707	280,707
Accumulated depreciation and impairment	(465,070)	(419,424)	(218,204)	(175,258)
Net book value 30 June	**62,503**	**111,234**	**62,503**	**105,449**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Consolidated entity		Parent entity	
	2019	2018	**2019**	2018
	$	$	$	$
Note 7 NON-CURRENT ASSETS *(continued)*				
FINANCIAL ASSETS				
Shares in subsidiary - at fair value	-	-	**400,000**	**600,004**

Subsidiary: ***Racing Supplies Pty Ltd***
Country of incorporation: ***Australia***
Percentage owned: **100%** (2018: **100%)**

The investment in Racing Supplies Pty Ltd, a wholly owned subsidiary company is currently $600,004. A fair value loss of $200,004 was raised against the investment during the year. This followed careful consideration given to challenges concerning the current and forecasted economic climate of the retail market in general and rising supplier costs to the industry. Consequently, the Committee of Management recognises the challenges that may flow through and affect revenue and margins, and it also takes into account input received by the company in its endeavours to expand its national operations. As a result, the investment was reviewed and the holding value was reduced.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Consolidated entity		Parent entity	
	2019	2018	**2019**	2018
	$	$	**$**	$
Note 7 NON-CURRENT ASSETS *(continued)*				
INVESTMENT PROPERTY				
Investment Property at fair value	1,200,000	1,200,000	1,200,000	1,200,000
Gain on revaluation of investment property	600,000	-	600,000	-
Total Investment property	**1,800,000**	**1,200,000**	**1,800,000**	**1,200,000**

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

The investment property was purchased on June 2005.

A market valuation of the investment property was performed during the month of October 2018 by Charter Keck Cramer Pty Ltd to assess the fair market value that adopted a primary method of direct sales comparison and secondary method of income capitalisation. The market valuation for the investment property is reported at $1,800,000. The market valuation for the rental of the investment property is reported at the amount of $113,500 net per annum excluding outgoings.

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 leased to the controlled entity, Racing Supplies Pty Ltd during the year was $84,000 (2018: $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. A rebate on the Investment Property leased to the controlled entity, Racing Supplies Pty Ltd was allowed this year $30,000 (2018: $30,000) for unoccupied area commencing 1 July 2015.

For the reporting period ending 30 June, the Executive have reviewed and adopted the market valuation report received from Charter Keck Cramer Pty Ltd for the valuation performed on October 2018.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Consolidated entity		Parent entity	
	2019	2018	**2019**	2018
	$	$	$	$
Note 8 CURRENT LIABILITIES				
TRADE PAYABLES				
Trade payables	98,952	117,080	38,680	47,871
	98,952	**117,080**	**38,680**	**47,871**
Settlement is usually made within 30 days from end of month.				
OTHER PAYABLES				
Audit Fees	36,900	33,350	21,200	18,500
Sundry payables	81,881	71,429	47,423	41,976
Deferred Income	38,144	36,103	35,895	33,853
Membership Income in Advance	22,801	83,488	22,801	83,488
	179,726	**224,370**	**127,319**	**177,817**
Expected to be settled in no more than 12 months.				
Total trade and other payables	**278,678**	**341,450**	**165,999**	**225,688**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Consolidated entity		Parent entity	
	2019	2018	**2019**	2018
	$	$	**$**	$
Note 9 PROVISIONS				
Office Holders				
Annual leave	19,334	16,963	19,334	16,963
Long service leave	12,839	9,131	12,839	9,131
Related on-costs	4,356	4,373	4,356	4,373
Separations and redundancies	-	-	-	-
	36,529	**30,467**	**36,529**	**30,467**
Employees other than office holders				
Annual leave	128,264	140,554	104,019	120,647
Long service leave	85,634	87,810	41,798	44,373
Related on-costs	39,600	40,547	30,264	32,718
Separations and redundancies	-	-	-	-
	253,498	**268,911**	**176,081**	**197,738**
Total provisions	**290,027**	**299,378**	**212,610**	**228,205**
Current	272,529	281,055	197,732	218,373
Non-current	17,498	18,323	14,878	9,832
Total provisions	**290,027**	**299,378**	**212,610**	**228,205**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Consolidated entity		Parent entity	
	2019	2018	**2019**	2018
	$	$	$	$
Note 10 CASH FLOW				
CASH FLOW RECONCILIATION				
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:				
Cash and cash equivalents as per:				
Cash flow statement	796,467	1,172,466	533,540	907,419
Balance sheet	796,467	1,172,466	533,540	907,419
Difference	-	-	-	-
Reconciliation of profit/(deficit) to net cash from operating activities:				
Profit/(deficit) after income tax	108,901	(582,273)	(101,189)	(586,871)
Adjustments for non-cash items				
Depreciation	48,731	54,059	42,946	49,270
Fair value loss on shares - subsidiary	-	-	200,004	-
Gain on revaluation of investment property	(600,000)	-	(600,000)	-
Changes in assets/liabilities				
Decrease/(increase) in current receivables	48,140	(106,801)	56,450	(128,676)
Decrease/(increase) in inventories	76,488	(11,828)	-	-
Decrease/(increase) in other assets	13,864	20,156	11,718	21,245
Increase/(decrease) in current payables	(62,772)	(70,550)	(59,689)	(24,860)
Increase/(decrease) in current provisions	(8,526)	54,328	(20,641)	47,601
Increase/(decrease) in non-current provisions	(825)	6,388	5,046	4,459
Net cash from (used in) operating activities	**(375,999)**	**(636,521)**	**(465,355)**	**(617,832)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

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

Note 12A: 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	
	2019	2018	**2019**	2018
	$	$	**$**	$
Revenue received from				
Receipts from other reporting units/ subsidiary				
Racing Supplies Pty Ltd				
Administration Fees	-	-	144,000	114,000
Rental	-	-	84,000	84,000
	-	-	**228,000**	**198,000**
ATA Western Australia Branch				
Administration Fees	-	-	**450**	**450**
Total receipts from other reporting units/subsidiary	-	-	**228,450**	**198,450**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Consolidated entity		Parent entity	
	2019	2018	**2019**	2018
	$	$	**$**	$
Note 12A: Related party transactions for the reporting period *(continued)*				
Expenses paid to				
(a) **Racing Supplies Pty Ltd**	-	-	**30,526**	**33,369**
(b) **ATA Western Australia Branch**				
Grants paid	-	-	**930**	**1,070**
(c) **State Branch related expenses**				
EXPENSES DIRECTLY ATTRIBUTED TO STATE BRANCHES				
New South Wales Branch	-	462	-	462
Queensland Branch	33,894	22,214	33,894	22,214
South Australia Branch	5,254	5,842	5,254	5,842
Tasmania Branch	7,638	4,155	7,638	4,155
Victoria Branch	1,831	683	1,831	683
Western Australia Branch	1,954	5,085	1,954	5,085
	50,571	**38,441**	**50,571**	**38,441**
Loans to related parties include the following:				
Racing Supplies Pty Ltd	-	-	271,919	363,395
Total loan receivable from related parties	-	-	**271,919**	**363,393**
Receivable from related parties include the following:				
ATA Western Australia branch	-	-	1,622	880
Total receivable from related parties	-	-	**1,622**	**880**

Terms and conditions of transactions with related parties

Transactions to/from related parties are predominantly for administrative expenses, grants 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. A rebate on the Investment Property leased to the controlled entity, Racing Supplies Pty Ltd was allowed this year $30,000 (2018: $30,000) for unoccupied area.

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 reporting period ending 30 June, the Reporting Unit has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2018: $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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 12 RELATED PARTY DISCLOSURES

Note 12B: Key management personnel remuneration for the period

	Consolidated entity		Parent entity	
	2019	2018	**2019**	2018
	$	$	**$**	$
Short-term employee benefits				
Salary (Includes Leave Taken)	613,988	592,264	543,187	519,151
Annual leave accrued	56,394	55,716	50,068	49,389
Other employee expenses	55,135	55,949	55,135	55,949
Total short-term employee benefits	**725,517**	**703,929**	**648,390**	**624,489**
Post-employment benefits:				
Superannuation	56,447	55,678	49,797	49,028
Total post-employment benefits	**56,447**	**55,678**	**49,797**	**49,028**
Other long-term benefits:				
Long-service leave accrued	10,734	10,630	9,568	9,463
Total other long-term benefits	**10,734**	**10,630**	**9,568**	**9,463**
Termination benefits	-	-	-	-
Total	**792,698**	**770,237**	**707,755**	**682,980**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Consolidated entity		Parent entity	
	2019	2018	**2019**	2018
	$	$	$	$
Note 13 REMUNERATION OF AUDITORS				
Value of the services provided				
Financial statement audit services	35,000	32,500	19,500	17,000
Other services – accountancy and related advice / tax agent services	1,550	2,950	700	700
Total remuneration of auditors	**36,550**	**35,450**	**20,200**	**17,700**

Note 14 FINANCIAL INSTRUMENTS

CATEGORIES OF FINANCIAL INSTRUMENTS

	Consolidated entity 2019	Consolidated entity 2018	Parent entity 2019	Parent entity 2018
Financial Assets				
Fair value through profit or loss:				
Shares in subsidiary - at fair value	-	-	400,000	600,004
	-	**-**	**400,000**	**600,004**
Loans and receivables				
Trade and other receivables	370,066	426,206	179,283	236,475
Receivable from related parties	-	-	273,541	364,275
	370,066	**426,206**	**452,824**	**600,750**
Carrying amount of financial assets	**370,066**	**426,206**	**852,824**	**1,200,754**
Financial Liabilities				
Other financial liabilities				
Trade and other payables	217,733	221,859	107,303	108,347
Carrying amount of financial liabilities	**217,733**	**221,859**	**107,303**	**108,347**

CREDIT RISK

Credit risk arises from the economic entity's trade and other receivables and the potential default of its counterparty, with a maximum exposure equal to the carrying amount of this instrument as disclosed in the statement of financial position and notes to the financial statements at balance date.

The Organisation does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by both parties.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

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	
	2019	2018	**2019**	2018
	$	$	$	$
Financial Assets				
Trade receivables	213,340	241,443	26,296	53,574
Sundry receivables	156,726	184,763	152,987	182,901
Total financial assets	**370,066**	**426,206**	**179,283**	**236,475**
Financial Liabilities				
Trade payables	98,952	117,080	38,680	47,871
Sundry payables	81,881	71,429	47,423	41,976
Audit fees accrued	36,900	33,350	21,200	18,500
Total financial liabilities	**217,733**	**221,859**	**107,303**	**108,347**

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
	2019	**2019**	2018	2018
Trade receivables	193,340	20,000	213,443	28,000
Sundry receivables	156,726	-	184,763	-
Total	**350,066**	**20,000**	**398,206**	**28,000**

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
	2019	**2019**	2018	2018
Trade receivables	16,296	10,000	43,574	10,000
Sundry receivables	152,987	-	182,901	-
Total	**169,283**	**10,000**	**226,475**	**10,000**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 14 FINANCIAL INSTRUMENTS

CREDIT RISK *(continued)*

Ageing of financial assets that were past due but not impaired for 2019 – Consolidated

	0 to 30 Days	**31 to 60 Days**	**61 to 90 Days**	**90+ days**	**Total**
Trade receivables	130,382	50,688	18,058	14,212	213,340
Sundry receivables	156,726	-	-	-	156,726
	287,108	**50,688**	**18,508**	**14,212**	**370,066**

Ageing of financial assets that were past due but not impaired for 2018 – Consolidated

	0 to 30 Days	31 to 60 Days	61 to 90 Days	90+ days	Total
Trade receivables	213,208	10,388	308	17,539	241,443
Sundry receivables	184,763	-	-	-	184,763
	397,971	**10,388**	**308**	**17,539**	**426,206**

Ageing of financial assets that were past due but not impaired for 2019 – Parent

	0 to 30 Days	**31 to 60 Days**	**61 to 90 Days**	**90+ days**	**Total**
Trade receivables	15,524	5,460	1,244	4,068	26,296
Sundry receivables	152,987	-	-	-	152,987
	168,511	**5,460**	**1,244**	**4,068**	**179,283**

Ageing of financial assets that were past due but not impaired for 2018 – Parent

	0 to 30 Days	31 to 60 Days	61 to 90 Days	90+ days	Total
Trade receivables	44,469	2,586	308	6,211	53,574
Sundry receivables	182,901	-	-	-	182,901
	227,370	**2,586**	**308**	**6,211**	**236,475**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 14 FINANCIAL INSTRUMENTS

LIQUIDITY RISK

Contractual maturities for financial liabilities 2019 – Consolidated

	On demand	< 1 year	1-2 years	>2years	Total
Trade creditors	-	98,952	-	-	98,952
Sundry creditors	-	81,881	-	-	81,881
Audit fees accrued	-	36,900	-	-	36,900
	-	**217,733**	**-**	**-**	**217,733**

Maturities for financial liabilities 2018 – Consolidated

	On demand	< 1 year	1-2 years	>2years	Total
Trade creditors	-	117,080	-	-	117,080
Sundry creditors	-	71,429	-	-	71,429
Audit fees accrued	-	33,350	-	-	33,350
	-	**221,859**	**-**	**-**	**221,859**

Contractual maturities for financial liabilities 2019 - Parent

	On demand	< 1 year	1-2 years	>2years	Total
Trade creditors	-	38,680	-	-	38,680
Sundry creditors	-	47,423	-	-	47,423
Audit fees accrued	-	21,200	-	-	21,200
	-	**107,303**	**-**	**-**	**107,303**

Maturities for financial liabilities 2018 – Parent

	On demand	< 1 year	1-2 years	>2years	Total
Trade creditors	-	47,871	-	-	47,871
Sundry creditors	-	41,976	-	-	41,976
Audit fees accrued	-	18,500	-	-	18,500
	-	**108,347**	**-**	**-**	**108,347**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 14 FINANCIAL INSTRUMENTS

MARKET RISK

Interest Rate Risk

The economic entity's exposure to interest rate risk arises mainly from changes in market interest rates that impact cash investments held. At balance date, only the entity's cash and cash equivalents primarily invested in deposits at call or held-to-maturity term deposits is exposed to floating interest rate risk.

Consolidated

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing			
					Within 1 Year		1 to 5 Years	
	2019	2018	**2019**	2018	**2019**	2018	**2019**	2018
Financial Assets	%	%	$	$	$	$	$	$
Cash at bank	0.28	0.32	236,298	417,537	-	-	-	-
Deposits at call	2.84	2.64	-	-	559,569	754,329	-	-
Total Financial Assets			**236,298**	**417,537**	**559,569**	**754,329**	-	-

Parent

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing			
					Within 1 Year		1 to 5 Years	
	2019	2018	**2019**	2018	**2019**	2018	**2019**	2018
Financial Assets	%	%	$	$	$	$	$	$
Cash at bank	0.28	0.33	233,440	407,319	-	-	-	-
Deposits at call	3.30	2.78	-	-	300,000	500,000		
Total Financial Assets			**233,440**	**407,319**	**300,000**	**500,000**	-	-

SENSITIVITY ANALYSIS

The following sensitivity analysis was estimated using a simple analysis that measures the impact of small changes of interest rates on the accounting income or economic value as applicable to the economic entity's investment structure and is based on the interest rate risk exposures in existence at the end of the reporting period.

A 1% increase or decrease in interest rates would impact profit or loss by the amounts shown below. The analysis assumes that other variables are held constant.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 14 FINANCIAL INSTRUMENTS

Interest Rate Risk *(continued)*

SENSITIVITY ANALYSIS OF THE RISK THAT THE ENTITY IS EXPOSED TO FOR 2019

CONSOLIDATED

Change in Risk Variable			+1%		-1%	
Financial assets	Carrying amount	Current Rate	EFFECT ON		EFFECT ON	
			Profit & Loss	Equity $	Profit & Loss	Equity
Deposits at call	559,569	2.84%	5,596	5,596	(5,596)	(5,596)

PARENT

Change in Risk Variable			+1%		-1%	
Financial assets	Carrying amount	Current Rate	EFFECT ON		EFFECT ON	
			Profit & Loss	Equity	Profit & Loss	Equity
Deposits at call	300,000	3.30%	3,000	3,000	(3,000)	(3,000)

SENSITIVITY ANALYSIS OF THE RISK THAT THE ENTITY IS EXPOSED TO FOR 2018

The sensitivity analysis is performed on the same basis in the comparative period.

CONSOLIDATED

Change in Risk Variable			+1%		-1%	
Financial assets	Carrying amount	Current Rate	EFFECT ON		EFFECT ON	
			Profit & Loss	Equity $	Profit & Loss	Equity
Deposits at call	754,329	2.64%	7,543	7,543	(7,543)	(7,543)

PARENT

Change in Risk Variable			+1%		-1%	
Financial assets	Carrying amount	Current Rate	EFFECT ON		EFFECT ON	
			Profit & Loss	Equity	Profit & Loss	Equity
Deposits at call	500,000	2.78%	5,000	5,000	(5,000)	(5,000)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 15 FAIR VALUE MEASUREMENT

The Organisation measures and recognises the following assets at fair value on a recurring basis:

- Investment property
- Financial assets

For other assets and liabilities the net fair value approximates their carrying value largely due to the short term maturities of these instruments. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

The following table presents the Reporting Unit's financial assets measured and recognised at carrying amounts and aggregate net fair values as disclosed in the statement of financial position and in the notes to the financial statements at balance date.

	Hierarchy Level	Carrying amount 2019	Fair value 2019	Carrying amount 2018	Fair value 2018
Non-financial assets					
Investment Property *(note 7)*	2	1,800,000	1,800,000	1,200,000	1,200,000
Financial assets					
Shares in subsidiary *(note 7)*	1	400,000	400,000	600,004	600,004

The fair value hierarchy consists of the following levels:

Level 1 - Inputs for assets or liability values not based on observable market data (unobservable inputs).

Level 2 - Inputs other than quoted prices in active markets for identical assets or liabilities that are observable, either directly (as prices) or indirectly (derived from prices); and

Valuation techniques used to derive level 1 and level 2 fair values:

- The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

  If one or more of the significant inputs is not based on observable market data, the instrument is included in level 1. This is the case for the unlisted equity shares in subsidiary.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 15 FAIR VALUE MEASUREMENT *(continued)*

Valuation techniques used to derive level 1 and level 2 fair values:

INVESTMENT PROPERTY

For its investment property, the Reporting Unit obtains an independent valuation at least every four years and/or take into account valuations from a local government authority. At the end of each reporting period, the committee members update their assessment of the fair value of the property, taking into account the most recent independent valuation. The committee members determine a property's value within a range of reasonable fair value estimates.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the committee members consider information from a variety of sources including:

- Current prices in an active market for properties of different nature or recent prices similar properties in less active markets, adjusted to reflect those differences
- Capitalised income projections based upon a property's estimated net market income and a capitalisation rate derived from an analysis of market evidence.
- Valuations from a local government authority.

The fair value of the investment property has been derived from Charter Keck Cramer Pty Ltd valuation report dated 24 October 2018 using the direct sales comparison approach as primary method and income capitalisation as secondary method. Sale price of similar properties in close proximity was taken into account and based on the evidence of similar sales, a land and building rate of $3,564 per square metre has been adopted.

Description	Fair value at June 2019	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Warehouse 7 41 Sabre Drive Port Melbourne VIC 3207	1,800,000	Direct sales comparison approach supported by the capitalisation of income approach	Building value rates per square metres (sqm)	1% change in building value rate per sqm would increase/ decrease fair value by $18,000

INVESTMENT OF SHARES IN SUBSIDIARY

For its investment of shares in its subsidiary, the Reporting Unit takes into account a market participants ability to generate economic benefits, selling to another market participant and the economic conditions prevailing at the time to establish a fair value measurement.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 16 SEGMENT REPORTING

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

Note 17 CAPITAL MANAGEMENT

The Officeholders for each reporting unit of the Organisation and where applicable their controlled entities, control the capital in order to safeguard their ability to continue as a going concern, so that they can fund its operations.

There are no externally imposed capital requirements.

Note 18 CONTROLLED ENTITY

Controlled Entity Consolidated

Name of entity	Principal Activity	Percentage Controlled	
		2019	2018
Australian Trainers' Association - Western Australia Branch *Reporting unit of the Association*	Service the needs of the trainers	100%	100%
Racing Supplies Pty Ltd *Incorporated in Australia*	Sale of products used in Horse Industry	100%	100%

Note 19 ASSOCIATION AND CONTROLLED ENTITIES

The registered office of the association (Reporting Unit):

Australian Trainers' Association – Federal Branch
1st Floor 400 Epsom Road, Flemington VIC 3031

The principal place of businesses:

- Australian Trainers' Association - Federal Branch
  1st Floor 400 Epsom Road, FLEMINGTON VIC 3031
- Australian Trainers' Association - Western Australia Branch
  C/- Mr Andrew Holland
  157 Penguin Road, SAFETY BAY WA 6169
- Racing Supplies Pty Ltd
  Warehouse 7 41 Sabre Drive, PORT MELBOURNE VIC 3207

Australian Government
Registered Organisations Commission

2 July 2019

Andrew Nicholl
Chief Executive Officer
Australian Trainers' Association
Sent via email: ata@austrainers.com.au

Dear Andrew Nicholl,

Re: Lodgement of Financial Report - FR2019/98
***Fair Work (Registered Organisations) Act 2009* (the RO Act)**

The financial year of the Australian Trainers' Association (the reporting unit) ended on 30 June 2019. This is a courtesy letter to remind you of the reporting unit's obligations regarding financial reporting.

Loans Grants and Donations Statement

The reporting unit is required to lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding $1,000 for the reporting unit during its financial year. Section 237 of the RO Act requires this statement to be lodged with the Registered Organisations Commission (the ROC) within 90 days of the end of the reporting unit's financial year, that is on or before 28 September 2019.

The attached fact sheet *Loans Grants and Donations* (FS 009) summarises the requirements of the Loans Grants and Donations Statement. A sample statement of loans, grants or donations is available on our website.

It should be noted that s.237 is a civil penalty provision. If a loan, grant or donation over $1000 has been made, failure to lodge a statement of loans, grants and donations (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to $105,000 for each contravention for a body corporate and up to $21,000 for each contravention for an individual) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

Financial report

The RO Act sets out a particular chronological order in which your financial report must be prepared, audited, provided to members, presented to a meeting and then lodged with the ROC. The attached document *Summary of Financial Reporting timelines* (FS 008) summarises these requirements.

We emphasise that the reporting unit is required to present its audited financial report to a meeting (either of members or of the committee of management, depending on your rules) no later than 31 December 2019 (s.266). The full financial report must be lodged with the ROC within 14 days of that meeting (s.268).

When assessing your financial report, we will continue to focus closely on timelines as well as how loans, grants and donations are reported. The financial report must break down the amounts of grants and donations and these figures will be compared to the loans, grants and donations statement (see attached *Loans Grants and Donations* fact sheet FS 009).

You can visit our website for more information regarding financial reporting, and fact sheets regarding financial reporting processes and requirements. A model set of financial statements developed by the ROC is also available on our website. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards.

It should be noted that s.268 of the RO Act is a civil penalty provision. Failure to lodge the full financial report (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to $105,000 for each contravention for a body corporate and up to $21,000 for each contravention for an individual) being imposed upon your organisation and/or an officer whose conduct led to the contravention (s.268).

Auditor's report

When assessing the financial report we will also focus on the structure and content of the auditor's report to ensure that it complies with the revisions made to the Auditing Standards which came into effect from 15 December 2016. Please find here a link to guidance note *Illustrative Auditor's Report* (GN 004) relating to these requirements (which can also be located on our website).

REMINDER

YOUR AUDITOR MUST BE REGISTERED (s.256)

You must ensure that your auditor is registered by the Registered Organisations Commissioner. A list of registered auditors is available on our website.

Contact

Should you require any clarification in relation to the above, please email regorgs@roc.gov.au.

Yours faithfully,

Kylie Ngo
Registered Organisations Commission

Australian Government
Registered Organisations Commission

Fact sheet

Summary of financial reporting timelines – s.253 financial reports

General Information:

- The ***full report*** consists of the General Purpose Financial Report, Committee of Management Statement, Operating report, s.255(2A) Report and signed Auditors' Report
- For an explanation of each of the steps below see our Fact sheet—financial reporting process.

STEP 1:
Reporting unit must prepare the General Purpose Financial Report, Committee of Management Statement, s.255(2A) Report and Operating Report as soon as practicable after the end of the financial year:

STEP 2:
Committee of Management statement – resolution to be passed by the Committee of Management in relation to the General Purpose Financial Report **(1st meeting)**

STEP 3:
Registered Auditor to prepare and sign the Auditor's Report and provide to the Reporting unit **within a reasonable timeframe**

IF **RULES** PROVIDE FOR PRESENTATION OF FULL REPORT **AT GENERAL MEETING OF MEMBERS**
(this is the default process in the RO Act)

STEP 4:
Provide ***full report*** to members **at least 21 days before the General Meeting**

STEP 5:
Present ***full report*** to a General Meeting of Members within 6 months of the reporting unit's end of financial year (2nd meeting)

STEP 6:
Prepare and sign the designated officer's certificate then lodge ***full report*** and the designated officer's certificate with the ROC within 14 days of the 2nd meeting

IF **RULES** PROVIDE FOR PRESENTATION OF FULL REPORT **AT COMMITTEE OF MANAGEMENT MEETING**
(Special rules must be in the rulebook to use this process)

STEP 4:
Provide ***full report*** to members **within 5 months of the reporting unit's end of financial year**

STEP 5:
Present ***full report*** to Committee of Management Meeting within 6 months of the reporting unit's end of financial year (2nd meeting)

STEP 6:
Prepare and sign the designated officer's certificate then lodge ***full report*** and the designated officer's certificate with the ROC **within 14 days of the 2nd meeting**

Misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Financial Reporting Process. They include:

Misconception		Requirement	
✘	The Committee of Management statement is just copied from the Reporting Guidelines	✔	The Committee of Management statement must have the date of the Committee of Management resolution recorded upon it and it must be signed and dated BEFORE the auditor signs their report Further, if any of the statements within it need to be modified to suit the reporting unit (for instance not holding meetings) these changes must also be made
✘	The Auditor's Report does not need to be signed until just before it is lodged with the ROC	✔	The Auditor's Report must be signed and dated BEFORE the full report (including the Auditor's Report) is sent to members and presented to the second meeting
✘	The Designated Officer's Certificate must be signed before the report is sent to members	✔	The Designated Officer's Certificate declares what the reporting unit HAS ALREADY DONE to provide the report to members and present it to the meeting. It must be signed and dated AFTER sending the report to members and the second meeting
✘	Documents can be dated when they should have been signed or when the events in the document occurred	✔	Documents must always be dated at the date they are actually signed by an officer or auditor
✘	Any auditor can audit a financial report	✔	Only registered auditors can audit the financial report
✘	The Committee of Management statement can be signed at any time	✔	The resolution passing the Committee of Management Statement must occur and the statement signed and dated BEFORE the auditor's report is signed and dated
✘	Any reporting unit can present the Full Report to a second COM meeting	✔	Only reporting units with a 5% rule in their rulebook are able to present their report to a second Committee of Management Meeting. Otherwise, it must be presented to a General Meeting of members
✘	Everything can be done at one Committee of Management meeting	✔	If the rules allow for presenting the report to the Committee of Management, there must still be <u>two meetings</u>. The first meeting resolves the Committee of Management statement (including signing and dating it). Between the two meetings the Auditor's report is signed and dated. Only then can the full report be presented to the second Committee of Management meeting (if the rules allow)
✘	The reporting unit has 6 months and 14 days to lodge their financial report with the ROC	✔	The reporting unit must lodge the financial report within 14 days of the second meeting

GPO Box 2983, Melbourne VIC 3001
Telephone: 1300 341 665 | Email: regorgs@roc.gov.au
Website: www.roc.gov.au

Australian Government
Registered Organisations Commission

FS 009
(14 December 2018)

Fact sheet

Loans, Grants & Donations

The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the Commissioner's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.

The Loans, Grants & Donations Statement

Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceeds $1000. The following information must be supplied to the Registered Organisations Commission (the ROC) for each relevant loan, grant or donation:

- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,* and
- the arrangements for repaying the loan.*

*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the ROC has a Template Loans, Grants and Donations Statement on its website. The ROC encourages branches and organisations to lodge the statement even if all of the figures are NIL.

Common misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception		Requirement	
✘	Only reporting units must lodge the Statement.	✓	All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
✘	Employees can sign the Statement.	✓	The statement must be signed by an elected officer of the relevant branch.
✘	Statements can be lodged with the financial report.	✓	The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.

Grants & Donations within the Financial Report

Item 14(e) of the Commissioner's Reporting Guidelines requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were $1000 or less and those that exceeded $1000.

As such, the note in the financial report relating to grants and donations will have four lines.

In the [ROC's Model Statements]() the note appears as follows:

Note 4E: Grants or donations*

Grants:	**2017**	2016
Total expensed that were $1,000 or less	**-**	-
Total expensed that exceeded $1,000	**-**	-
Donations:		
Total expensed that were $1,000 or less	**-**	-
Total expensed that exceeded $1,000	**-**	-
Total grants or donations	**-**	-

The Commissioner's Reporting Guidelines requires that these line items appear in the financial statements, the notes or in the officer's declaration statement, even if the figures are NIL.

Implications for filing the Financial Report

During their review of the financial report staff of the ROC may confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their last financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

> It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the website.

Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the ROC on regorgs@roc.gov.au