



26 November 2018

Mr Andrew Nicholl
Chief Executive Officer
Australian Trainers' Association
By e-mail: ata@austrainers.com.au

CC: johnp@cwstirling.com.au

Dear Mr Nicholl,

**Australian Trainers' Association
Financial Report for the year ended 30 June 2018 - [FR2018/190]**

I acknowledge receipt of the financial report of the Australian Trainers' Association. The documents were lodged with the Registered Organisations Commission (**the ROC**) on 5 November 2018.

The financial report has now been filed.

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 2019 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report. The ROC will confirm these matters have been addressed prior to filing next year's report.

Nil activities disclosure

Item 21 of the reporting guidelines (**RGs**) states that if any activities described within items 10-20 have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in an officer's declaration statement. The notes and the officer's declaration statement contained nil activity information for all prescribed RG categories except the following:

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

Please ensure in future years that the above mentioned items are disclosed in either the financial statements, the notes or in officer's declaration statement as per the reporting guidelines.

Officer's declaration statement – to include all nil activity disclosures not elsewhere disclosed.

Item 21 of the RGs states that if any activities identified within items 10-20 have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the

notes or in an officer's declaration statement. I note that the officer's declaration statement includes the nil activity disclosures for which there was already an equivalent form of disclosure in the body of the notes. For examples:

- "Nil agreement to receive financial support from another reporting unit to continue as a going concern" was disclosed in both the officer's declaration statement and Note 1.20 of the financial report.
- "Nil receipt of capitation fees from another reporting unit" was disclosed Note 1.8 and the officer's declaration statement.

Please note that nil activities only need to be disclosed once.

Inconsistency in disclosure of financial information:

The officer's declaration statement includes the nil activity disclosure for receiving revenue via compulsory levies. Note 4, however, discloses income received from members for levies.

In future years, please ensure that only those items with a nil activity are included in the officer's declaration statement.

Disclosure of donations to political parties:

RG 22(b) requires total expenditure incurred by reporting unit during the financial year in relation to donations to political parties to be disclosed in subsection 255(2A) report.

Donations to political parties has not been disclosed in the subsection 255(2A) report. In future years please ensure that this expense item is disclosed in accordance with the RGs.

Prescribed information in Operating report

Regulation 159(c) requires an operating report to contain the name of each person who has been a member of the committee of management of the reporting unit at any time during the reporting period, and the period for which he or she held such a position. The ROC takes the words "at any time" to mean that all persons, whether they held their position for the full year or for part of the year, must be included.

I note that the names of Michael Grant and Walter McShane appeared in the previous year's operating report but did not appear in this year's operating report. There was no indication that Michael Grant or Walter McShane had resigned during, or at the end of, the previous year, and without any such indication the question arises whether their names have been inadvertently omitted. Please ensure that all persons are included and the periods for which they held their position are clearly indicated.

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 the Australian Accounting Standards. Access to this information may be obtained 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
Financial Reporting Assistant
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 2018, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report, was provided to members on 10th October 2018; and
- that the full report was presented to a general meeting of members of the reporting unit on 2nd November 2018; in accordance with s266 of the Fair Work (Registered Organisations) Act 2009.



Robbie Griffiths

Dated, this 2nd day of November, 2018

AUSTRALIAN TRAINERS' ASSOCIATION

FEDERAL BRANCH

FINANCIAL STATEMENTS

For the Year Ended 30 June 2018

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OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2018

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 2018.

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 2018.

RESULTS AND REVIEW OF OPERATIONS

The consolidated net loss for the financial year amounted to \$582,273 (2017: \$142,845 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 959 (2017: 992).

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 2018 were:

- 8 full-time
- 3 part-time.

OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2018

(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	<i>President</i>
Leon Macdonald	<i>Vice President</i>
Patrick Duff	<i>Vice President</i>
Chris Munce	
Graeme McCulloch	
Nigel Schuuring	
Richard Jolly	
Ross Price	

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

TRUSTEE OR DIRECTOR OF SUPERANNUATION ENTITY

No officer or member of the Organisation is director or a trustee of a superannuation entity or an exempt public sector superannuation scheme; or a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation.

INDEMNIFYING OFFICER OR AUDITOR

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

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

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

With exception of the following matters.

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

OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2018

(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.

A handwritten signature in black ink, appearing to read 'Robbie Griffiths', written over a horizontal line.

ROBBIE GRIFFITHS

President

Dated this 8th day of October 2018

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, which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2018, 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 as at 30 June 2018, 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

John A Phillips

JOHN PHILLIPS

Audit Partner

Dated this 9th day of October 2018
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

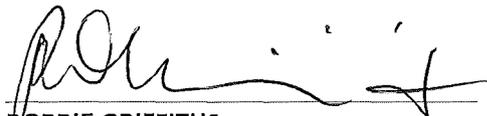
On 8th day of October 2018 the Committee of Management of the Australian Trainers' Association - Federal Branch (Reporting Unit) passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2018:

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 Reporting Unit 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 Reporting Unit 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 unit 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 Registered Organisations 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 8th day of October 2018

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 2018.

The reporting unit **DID NOT**:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- 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 another entity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that exceeded \$1,000
- pay legal costs relating to litigation
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- have a payable with another reporting unit
- have a payable to employer as consideration 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 8th day of October 2018

**EXPENDITURE REPORT
SUBSECTION 255(2A)
For the year ended 30 June 2018**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2018.

CATEGORIES OF EXPENDITURES	Consolidated entity		Parent entity	
	2018 \$	2017 \$	2018 \$	2017 \$
Remuneration and other employment – related costs and expenses – employees (Note 5)	1,282,936	1,212,554	965,368	919,643
Marketing/ sponsorships/ advertising	110,067	92,298	108,198	84,073
Operating costs	592,122	636,175	516,895	596,988
Legal Costs	16,924	3,000	14,025	3,000
	2,002,049	1,944,027	1,604,486	1,603,704


ROBBIE GRIFFITHS
President

Dated this 8th day of October 2018

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Note	Consolidated entity		Parent entity	
		2018 \$	2017 \$	2018 \$	2017 \$
INCOME					
Membership subscriptions		127,299	128,645	127,299	128,645
Membership levies	4	35,235	35,240	35,235	35,240
Membership services		106,446	114,564	106,446	114,564
Marketing/Sponsorship income		206,979	184,300	206,979	184,300
Administration fees		140,000	146,514	254,450	320,964
Rental income	4	-	-	84,000	84,000
		615,959	609,263	814,409	867,713
OTHER INCOME					
Advertising income		9,160	9,160	-	-
Interest received – bank	4	31,654	40,282	26,123	33,095
Pageat distribution		175,676	541,936	175,676	541,936
Subsidiary gross contribution		581,475	578,179	-	-
Sundry income		3,826	20,338	1,407	10,162
Supplier rebates		2,026	2,024	-	-
		803,817	1,191,919	203,206	585,193
Total income		1,419,776	1,801,182	1,017,615	1,452,906
EXPENDITURE					
Airfares and travel		797	754	-	-
Auditor's remuneration	13	35,450	35,475	17,700	18,825
Bad debts written off		-	1,212	-	48
Bank and merchant charges		1,174	1,294	979	1,198
Computer expenses		24,327	30,829	23,325	29,786
Conferences		31,268	34,201	31,249	31,681
Consultancy fees		119,111	109,667	118,001	109,667
Depreciation	5	54,059	42,008	49,270	37,336
Doubtful debts	6	-	-	-	-
Employee entitlements	5	124,670	120,041	96,994	90,116
Fringe benefits and payroll tax		63,605	67,279	63,605	67,279
General expenses		5,525	3,964	4,563	3,102
Grants or donations	5	250	-	250	-
Honorarium		2,000	2,000	2,000	2,000
Industrial Relations		-	751	-	751

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Note	Consolidated entity		Parent entity	
		2018	2017	2018	2017
		\$	\$	\$	\$
EXPENDITURE <i>(continued)</i>					
Insurance		26,832	27,238	6,721	6,733
Legal costs	5	16,924	3,000	14,025	3,000
Marketing/Sponsorship expenses		110,067	92,298	108,198	84,073
Membership expenses		98,123	160,725	98,969	160,725
Membership levies paid		-	-	1,070	1,170
Motor Vehicle expenses		68,734	62,062	31,742	32,256
Owner's corporate fees		5,996	5,583	-	-
Postage		1,774	3,799	1,774	3,799
Printing & stationery		1,214	2,459	413	988
Rates		5,889	6,065	-	-
Rebate – Investment Property		-	-	30,000	60,000
Rent & outgoing		41,909	35,301	39,411	32,799
Repairs & maintenance		2,778	1,608	8	32
Salaries & wages	5	1,002,291	939,264	738,520	701,076
Security costs		840	840	-	-
State branch expenses	12	38,441	39,225	38,441	39,225
Stock obsolescence provision	6	-	-	-	-
Subscriptions		1,148	2,549	1,148	2,549
Superannuation contributions	5	99,534	94,949	73,413	70,151
Telephone		9,699	10,460	7,928	8,691
Work cover insurance		7,620	7,127	4,769	4,648
Total expenses		2,002,049	1,944,027	1,604,486	1,603,704
Surplus / (Deficit) before income tax		(582,273)	(142,845)	(586,871)	(150,798)
Income Tax Expense	1.18	-	-	-	-
Surplus / (Deficit) for the year after income tax		(582,273)	(142,845)	(586,871)	(150,798)
OTHER COMPREHENSIVE INCOME					
<i>Items that will not be reclassified subsequent to profit or loss:</i>					
		-	-	-	-
Total comprehensive income/(deficit) for the year		(582,273)	(142,845)	(586,871)	(150,798)

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

STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

	Note	Consolidated entity		Parent entity	
		2018 \$	2017 \$	2018 \$	2017 \$
ASSETS					
<i>Current assets</i>					
Cash and cash equivalents	6	1,172,466	1,838,630	907,419	1,577,161
Trade and other receivables	6	398,206	291,405	227,355	98,679
Inventories	6	369,865	358,037	-	-
Other current assets	6	34,235	54,391	21,744	42,989
Total current assets		1,974,772	2,542,463	1,156,518	1,718,829
<i>Non-current assets</i>					
Trade and other receivables	7	-	-	363,395	341,128
Financial assets	7	-	-	600,004	600,004
Investment property	7	1,200,000	1,200,000	1,200,000	1,200,000
Property, plant and equipment	7	111,234	135,650	105,449	125,076
Total non-current assets		1,311,234	1,335,650	2,268,848	2,266,208
TOTAL ASSETS		3,286,006	3,878,113	3,425,366	3,985,037
LIABILITIES					
<i>Current liabilities</i>					
Trade and other payables	8	341,450	412,000	225,688	250,548
Provisions	9	281,055	226,727	218,373	170,772
Total current liabilities		622,505	638,727	444,061	421,320
<i>Non-current liabilities</i>					
Provisions	9	18,323	11,935	9,832	5,373
Total non-current liabilities		18,323	11,935	9,832	5,373
TOTAL LIABILITIES		640,828	650,662	453,893	426,693
NET ASSETS		2,645,178	3,227,451	2,971,473	3,558,344
MEMBERS' FUNDS					
Accumulated Funds		2,645,178	3,227,451	2,971,473	3,558,344
TOTAL MEMBERS' FUNDS		2,645,178	3,227,451	2,971,473	3,558,344

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

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2018

	Retained Earnings \$	Total Equity \$
CONSOLIDATED		
Closing balance as at 30 June 2015	3,305,699	3,305,699
Surplus / (Deficit) attributable to members	62,196	62,196
Transfer to/from branch – ATA Western Australia branch	3,968	3,968
Transfer to/from subsidiary - Racing Supplies	(1,567)	(1,567)
Closing balance as at 30 June 2016	3,370,296	3,370,296
Surplus / (Deficit) attributable to members	(150,798)	(150,798)
Transfer to/from branch – ATA Western Australia branch	5,555	5,555
Transfer to/from subsidiary - Racing Supplies	2,398	2,398
Closing balance as at 30 June 2017	3,227,451	3,227,451
Surplus / (Deficit) attributable to members	(586,871)	(586,871)
Transfer to/from branch – ATA Western Australia branch	312	312
Transfer to/from subsidiary - Racing Supplies	4,286	4,286
Closing balance as at 30 June 2018	2,645,178	2,645,178
PARENT		
Balance as at 30 June 2015	3,646,947	3,646,947
Surplus / (Deficit) attributable to members	62,196	62,196
Balance at 30 June 2016	3,709,143	3,709,143
Surplus / (Deficit) attributable to members	(150,799)	(150,799)
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

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

STATEMENT OF CASH FLOWS

For the year ended 30 June 2018

	Note	Consolidated entity		Parent entity	
		2018 \$	2017 \$	2018 \$	2017 \$
OPERATING ACTIVITIES					
<i>Cash received</i>					
Receipts from customers		2,835,038	3,443,707	664,366	1,169,985
Receipts from other reporting units/controlled entity(s)	12	-	-	198,450	258,450
Interest received	4	31,654	40,282	26,123	33,095
<i>Cash used</i>					
Employees		(1,290,100)	(1,221,533)	(972,532)	(928,622)
Suppliers		(2,213,113)	(2,183,972)	(533,169)	(629,525)
Payment to other reporting units/controlled entity(s)		-	-	(1,070)	(1,170)
Net cash provided by (used in) operating activities	10	(636,521)	78,484	(617,832)	(97,787)
INVESTING ACTIVITIES					
<i>Cash used</i>					
Purchase of property, plant & equipment	7	(29,643)	(2,609)	(29,643)	(1,069)
Net cash provided by (used in) investing activities		(29,643)	(2,609)	(29,643)	(1,069)
FINANCING ACTIVITIES					
<i>Cash used</i>					
Loan to Racing Supplies Pty Ltd		-	-	(22,267)	168,237
Net cash provided by (used in) financing activities		-	-	(22,267)	168,237
Net increase (Decrease) in cash held		(666,164)	75,875	(669,742)	69,381
Cash at beginning of year		1,838,630	1,762,755	1,577,161	1,507,780
Cash at end of year	6	1,172,466	1,838,630	907,419	1,577,161

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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 Organisations) 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 2018

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 2018

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

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 Adoption of New and Revised Accounting Standards

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

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

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

- AASB 9 Financial Instruments and associated Amending Standards (applicable to annual reporting periods beginning on or after 1st January 2018)
- AASB 15 Revenue from Contract with Customers (applicable to annual reporting periods beginning on or after 1st January 2018)
- AASB 16 Leases (applicable to annual reporting periods beginning on or after 1st January 2019)

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.6 Revenue

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

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

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

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

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

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

1.7 Gains

Sale of assets

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

1.8 Capitation Fees and Levies

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.10 Leases

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

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

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

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

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

1.11 Cash

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

1.12 Financial Instruments

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.13 Financial Assets

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

Fair value through profit or loss

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

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

Held-to-maturity investments

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

Available-for-sale

Any investments in unlisted shares that are not traded in an active market are classified as available-for-sale financial assets and stated at fair value at acquisition date. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Reporting Units right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at acquisition date. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Loan and receivables

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.13 Financial Assets *(continued)*

Effective interest method

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

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

Impairment of financial assets

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

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.13 Financial Assets *(continued)*

Derecognition of financial assets

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

1.14 Financial Liabilities

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

Fair value through profit or loss

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

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

Other financial liabilities

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

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

Derecognition of financial liabilities

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.15 Land, Buildings, Plant and Equipment

Asset recognition threshold

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

Revaluations—land and buildings

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

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

Depreciation

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

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

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 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.16 Investment Property

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

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

1.17 Impairment for non-financial assets

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

1.18 Taxation

Australian Trainers Association being an organisation of employers registered under the Fair Work (Registered Organisations) Act 2009 is exempt from income tax under Section 50-15 Item 3.1 (b) of the Income Tax Assessment Act 1997 however, still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.19 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.

1.20 Going Concern

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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 2018 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 2018.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated entity		Parent entity	
	2018	2017	2018	2017
	\$	\$	\$	\$
Note 4 INCOME				
LEVIES				
<i>Levies paid by members as a component of membership subscription</i>				
Victoria	23,201	22,954	23,201	22,954
New South Wales	6,984	7,020	6,984	7,020
South Australia	3,145	3,216	3,145	3,216
Western Australia	1,055	1,169	1,055	1,169
Queensland	656	696	656	696
Tasmania	194	185	194	185
Total levies	35,235	35,240	35,235	35,240
INTEREST				
Deposits	31,654	40,282	26,123	33,095
Total interest	31,654	40,282	26,123	33,095
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 2018

	Consolidated entity		Parent entity	
	2018	2017	2018	2017
	\$	\$	\$	\$
Note 5 EXPENSES				
EMPLOYEE EXPENSES				
Holders of office:				
Salaries and wages	184,643	171,969	184,643	171,969
Superannuation	18,627	17,475	18,627	17,475
Leave and other entitlements	23,334	20,376	23,334	20,376
Separation and redundancies	-	-	-	-
Other employee expenses	10,137	9,953	10,137	9,953
<i>Sub-total employee expenses holders of office</i>	236,741	219,773	236,741	219,773
Employees other than office holders:				
Salaries and wages	817,648	767,295	553,877	529,107
Superannuation	80,907	77,474	54,786	52,676
Leave and other entitlements	101,336	99,665	73,660	69,740
Separation and redundancies	-	-	-	-
Other employee expenses	46,304	48,347	46,304	48,347
<i>Sub-total employee expenses employees other than holders of office</i>	1,046,195	992,781	728,627	699,870
Total employee expenses	1,282,936	1,212,554	965,368	919,643

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated entity		Parent entity	
	2018	2017	2018	2017
	\$	\$	\$	\$
Note 5 EXPENSES (continued)				
KEY MANAGEMENT PERSONNEL REMUNERATION				
Short-term employee benefits				
Salary (Includes Leave Taken)	592,264	579,312	519,151	508,276
Annual leave accrued	55,716	52,187	49,389	45,860
Other employee expenses	56,441	58,300	56,441	58,300
Total short-term employee benefits	704,421	689,799	624,981	612,436
Post-employment benefits:				
Superannuation	55,678	54,618	49,028	47,968
Total post-employment benefits	55,678	54,618	49,028	47,968
Other long-term benefits:				
Long-service leave accrued	10,630	9,675	9,463	8,508
Total other long-term benefits	10,630	9,675	9,463	8,508
Termination benefits	-	-	-	-
Total	770,729	754,092	683,472	668,912

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated entity		Parent entity	
	2018	2017	2018	2017
	\$	\$	\$	\$
Note 5 EXPENSES (continued)				
GRANTS OR DONATIONS				
Grants				
Total paid that were \$1,000 or less	-	-	-	-
Total paid that exceeded \$1,000	-	-	-	-
Donations				
Total paid that were \$1,000 or less	250	-	250	-
Total paid that exceeded \$1,000	-	-	-	-
Total grants or donations	250	-	250	-
DEPRECIATION				
Computer hardware	12,625	6,662	12,625	6,662
Computer software	7,282	2,980	7,282	2,980
Leasehold improvements	4,480	4,480	-	-
Motor vehicles	28,003	27,886	27,694	27,694
Office furniture and equipment	1,669	-	1,669	-
Plant and equipment	-	-	-	-
Total depreciation	54,059	42,008	49,270	37,336
LEGAL COSTS				
Litigation	-	-	-	-
Other legal matters	16,924	3,000	14,025	3,000
Total legal costs	16,924	3,000	14,025	3,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated entity		Parent entity	
	2018	2017	2018	2017
	\$	\$	\$	\$
Note 6 CURRENT ASSETS				
CASH AND CASH EQUIVALENTS				
Cash at Bank	417,537	278,613	407,319	277,061
Term Deposits	754,329	1,559,417	500,000	1,300,000
Petty Cash Imprest	600	600	100	100
Total cash and cash equivalents	1,172,466	1,838,630	907,419	1,577,161
TRADE AND OTHER RECEIVABLES				
Trade receivables				
Trade Receivables	241,443	305,076	53,574	95,800
Less: Provision for Doubtful Debts	(28,000)	(28,000)	(10,000)	(10,000)
	213,443	277,076	43,574	85,800
Receivables from other reporting unit[s]				
Loan from ATA Western Australia	-	-	880	780
	-	-	880	780
Other Receivables				
Other receivable	184,763	14,329	182,901	12,099
Total trade and other receivables	398,206	291,405	227,355	98,679
INVENTORIES				
Inventory	389,865	378,037	-	-
Less: Provision for inventory obsolescence	(20,000)	(20,000)	-	-
Total other current assets	369,865	358,037	-	-
OTHER CURRENT ASSETS				
Prepayments	34,235	54,391	21,744	42,989
Total other current assets	34,235	54,391	21,744	42,989

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated entity		Parent entity	
	2018	2017	2018	2017
	\$	\$	\$	\$
Note 7 NON-CURRENT ASSETS				
NON-CURRENT RECEIVABLES				
Racing Supplies Pty Ltd – subsidiary	-	-	363,395	341,128
Total non-current receivables	-	-	363,395	341,128
PLANT AND EQUIPMENT				
Computer Hardware at cost	53,140	49,700	51,961	48,521
Less accumulated depreciation	(45,213)	(32,588)	(44,034)	(31,409)
	7,927	17,112	7,927	17,112
Computer Software at cost	35,921	18,821	35,921	18,821
Less accumulated depreciation	(18,530)	(11,247)	(18,530)	(11,247)
	17,391	7,574	17,391	7,574
Leasehold improvements at cost	84,930	84,930	-	-
Less accumulated depreciation	(80,184)	(75,704)	-	-
	4,746	9,226	-	-
Motor Vehicles at cost	229,189	229,189	138,469	138,469
Less accumulated depreciation	(155,453)	(127,451)	(65,772)	(38,079)
	73,736	101,738	72,697	100,390
Office furniture and equipment at cost	74,278	65,175	54,356	45,253
Less accumulated depreciation	(66,844)	(65,175)	(46,922)	(45,253)
	7,434	-	7,434	-
Plant and equipment at cost	53,200	53,200	-	-
Less accumulated depreciation	(53,200)	(53,200)	-	-
	-	-	-	-
Total Plant and Equipment	111,234	135,650	105,449	125,076

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated entity		Parent entity	
	2018	2017	2018	2017
	\$	\$	\$	\$
Note 7 NON-CURRENT ASSETS (continued)				
PLANT AND EQUIPMENT				
<i>Reconciliation of the opening and closing balances of plant and equipment</i>				
As at 1 July				
Gross book value	501,015	573,830	251,064	325,110
Accumulated depreciation and impairment	(365,365)	(398,781)	(125,988)	(163,767)
Net book value 1 July	135,650	175,049	125,076	161,343
 <i>ADDITIONS:</i>				
By purchase	29,643	2,609	29,643	1,069
Revaluations	-	-	-	-
Impairments	-	-	-	-
Depreciation expense	(54,059)	(42,008)	(49,270)	(37,336)
Net book value at 30 June	111,234	135,650	105,449	125,076
 <i>Net book value as of 30 June represented by</i>				
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 30 June	111,234	135,650	105,449	125,076

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated entity		Parent entity	
	2018	2017	2018	2017
	\$	\$	\$	\$
Note 7 NON-CURRENT ASSETS (continued)				
FINANCIAL ASSETS				
Shares in subsidiary - at cost	-	-	600,004	600,004

Subsidiary: **Racing Supplies Pty Ltd**

Country of incorporation: **Australia**

Percentage owned: **100%** (2017: **100%**)

INVESTMENT PROPERTY

Investment property	1,200,000	1,200,000	1,200,000	1,200,000
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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 December 2013 by Lemon Baxter Pty Ltd, a long-established commercial and industrial real estate agency based in South Melbourne managing commercial property sales and leasing in and around Melbourne. The valuation for the investment property is reported at \$1,200,000 and takes into account recent sales of properties in the vicinity, of similar configuration and zoning, and in particular properties located in the same Drive. The valuation for the lease of the investment property is reported at the approximate amount of \$89,000 net per annum plus outgoings and takes into account the current market conditions and recent leasing deals of similar styled properties in the vicinity.

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

Rental Income earned and received from the Investment Property leased to the controlled entity, Racing Supplies Pty Ltd during the year was \$84,000 (2017: \$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 (2017: \$60,000) for unoccupied area commencing 1 July 2015.

As at 30 June 2018 the Executive have reviewed the key assumptions in respect of this property and concluded that the relevant assumptions made remain materially unchanged and accordingly, the carrying value is a reasonable assessment based on all the relevant factors. The property will be revalued in 2018/2019 financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated entity		Parent entity	
	2018	2017	2018	2017
	\$	\$	\$	\$
Note 8 CURRENT LIABILITIES				
TRADE PAYABLES				
Trade payables	117,080	182,142	47,871	68,155
	117,080	182,142	47,871	68,155
<i>Settlement is usually made within 30 days from end of month.</i>				
Payables to other reporting unit[s]				
ATA WA Branch	-	-	-	-
	-	-	-	-
OTHER PAYABLES				
Audit Fees	33,350	33,350	18,500	18,500
Legal Fees	-	-	-	-
Sundry payables	71,429	88,320	41,976	57,954
Deferred Income	36,103	64,636	33,853	62,387
Membership Income in Advance	83,488	43,552	83,488	43,552
	224,370	229,858	177,817	182,393
<i>Expected to be settled in no more than 12 months.</i>				
Total trade and other payables	341,450	412,000	225,688	250,548

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated entity		Parent entity	
	2018	2017	2018	2017
	\$	\$	\$	\$
Note 9 PROVISIONS				
Office Holders				
Annual leave	16,963	11,536	16,963	11,536
Long service leave	9,131	5,373	9,131	5,373
Related on-costs	4,373	2,766	4,373	2,766
Separations and redundancies	-	-	-	-
	30,467	19,675	30,467	19,675
Employees other than office holders				
Annual leave	140,554	103,048	120,647	86,712
Long service leave	87,810	80,344	44,373	41,170
Related on-costs	40,547	35,595	32,718	28,588
Separations and redundancies	-	-	-	-
	268,911	218,987	197,738	156,470
Total provisions	299,378	238,662	228,205	176,145
Current	281,055	226,727	218,373	170,772
Non-current	18,323	11,935	9,832	5,373
Total provisions	299,378	238,662	228,205	176,145

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated entity		Parent entity	
	2018	2017	2018	2017
	\$	\$	\$	\$
Note 10 CASH FLOW				
CASH FLOW RECONCILIATION				
<i>Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:</i>				
<i>Cash and cash equivalents as per:</i>				
Cash flow statement	1,172,466	1,838,630	907,419	1,577,161
Balance sheet	1,172,466	1,838,630	907,419	1,577,161
Difference	-	-	-	-
<i>Reconciliation of profit/(deficit) to net cash from operating activities:</i>				
Profit/(deficit) after income tax	(582,273)	(142,845)	(586,871)	(150,799)
<u>Adjustments for non-cash items</u>				
Depreciation	54,059	42,008	49,270	37,336
Gain on disposal of plant and equipment	-	-	-	-
<u>Changes in assets/liabilities</u>				
Decrease/(Increase) in current receivables	(106,801)	20,628	(128,676)	8,624
Decrease/(Increase) in inventories	(11,828)	114,183	-	-
Decrease/(Increase) in other assets	20,156	(14,220)	21,245	(13,359)
Decrease/(Increase) in non-current receivables	-	-	-	-
Increase/(Decrease) in current payables	(70,550)	2,840	(24,860)	(24,309)
Increase/(Decrease) in current provisions	54,328	66,086	47,601	56,663
Increase/(Decrease) in non-current payables	-	-	-	-
Increase/(Decrease) in non-current provisions	6,388	(10,196)	4,459	(11,943)
Net cash from (used in) operating activities	(636,521)	78,484	(617,832)	(97,787)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 11 Contingent liabilities, assets and commitments

COMMITMENTS AND CONTINGENCIES

Operating lease commitments – as lessee

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

Operating lease commitments – as lessor

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

Note 12 RELATED PARTY DISCLOSURES

Related party transactions for the reporting period

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

	Consolidated entity		Parent entity	
	2018	2017	2018	2017
	\$	\$	\$	\$
Revenue received from				
Membership Levies (refer to note 4)	35,235	35,240	35,235	35,240
Receipts from other reporting units/ subsidiary				
Racing Supplies Pty Ltd				
Administration Fees	-	-	114,000	174,000
Rental	-	-	84,000	84,000
	-	-	198,000	258,000
ATA Western Australia Branch				
Administration Fees	-	-	450	450
Total receipts from other reporting units/subsidiary	-	-	198,450	258,450

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated entity		Parent entity	
	2018 \$	2017 \$	2018 \$	2017 \$
Related party transactions for the reporting period (continued)				
Expenses paid to				
(a) Racing Supplies Pty Ltd	-	-	33,369	62,219
(b) ATA Western Australia Branch				
Membership Levies Paid	-	-	1,070	1,170
(c) State Branch related expenses				
<i>EXPENSES DIRECTLY ATTRIBUTED TO STATE BRANCHES</i>				
New South Wales Branch	462	-	462	-
Queensland Branch	22,214	23,786	22,214	23,786
South Australia Branch	5,842	8,753	5,842	8,753
Tasmania Branch	4,155	5,374	4,155	5,374
Victoria Branch	683	149	683	149
Western Australia Branch	5,085	1,163	5,085	1,163
	38,441	39,225	38,441	39,225
Loans to related parties include the following:				
Loan to ATA Western Australia Branch	-	-	880	780
Loan to Racing Supplies Pty Ltd	-	-	363,395	341,128
Total loan receivable from related parties	-	-	364,275	341,908
Loan from ATA Western Australia Branch	-	-	-	-
Total loan payable to related parties	-	-	-	-

Terms and conditions of transactions with related parties

Transactions to/from related parties are predominantly for administrative expenses, levies for the purpose of providing services and funding expenses that are or would otherwise be attributed to a state branch, and rental in relation to the investment property. Outstanding balances relating to such transactions are unsecured and interest free with settlement at year end applied to the respective loan account for the related parties. A rebate on the Investment Property leased to the controlled entity, Racing Supplies Pty Ltd was allowed this year \$30,000 (2017: \$60,000) for unoccupied area commencing 1 July 2015.

Following the commencement of the Personal Property Security Register (PPSR), on 30 January 2012 the loan to Racing Supplies Pty Ltd, previously secured by a Mortgage Debenture Charge was automatically transferred to the PPSR. There have been no guarantees provided or received for other related party receivables. For the year ended 30 June 2018, the Reporting Unit has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2017: \$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 2018

	Consolidated entity		Parent entity	
	2018	2017	2018	2017
	\$	\$	\$	\$
Note 13 REMUNERATION OF AUDITORS				
Value of the services provided				
Financial statement audit services	32,500	32,500	17,000	17,000
Other services – accountancy and related advice / tax agent services	2,950	2,975	700	1,825
Total remuneration of auditors	35,450	35,475	17,700	18,825

Note 14 FINANCIAL INSTRUMENTS

CATEGORIES OF FINANCIAL INSTRUMENTS

Financial Assets

Fair value through profit or loss:

Shares in subsidiary - at cost	-	-	600,004	600,004
	-	-	600,004	600,004

Loans and receivables

Trade and other receivables	426,206	319,405	236,475	107,899
Loan receivable from related parties	-	-	364,275	341,908
	426,206	319,405	600,750	449,807
Carrying amount of financial assets	426,206	319,405	1,200,754	1,049,811

Financial Liabilities

Other financial liabilities

Trade and other payables	221,859	303,812	108,347	144,609
Loan payable to related parties	-	-	-	-
Carrying amount of financial liabilities	221,859	303,812	108,347	144,609

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 2018

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	
	2018	2017	2018	2017
	\$	\$	\$	\$
Financial Assets				
Trade receivables	241,443	305,076	53,574	95,800
Sundry receivables	184,763	14,329	182,901	12,099
Total financial assets	426,206	319,405	236,475	107,899
Financial Liabilities				
Trade payables	117,080	182,142	47,871	68,155
Sundry payables	71,429	88,320	41,976	57,954
Audit fees accrued	33,350	33,350	18,500	18,500
Legal fees payable	-	-	-	-
Total financial liabilities	221,859	303,812	108,347	144,609

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
	2018	2018	2017	2017
Trade receivables	213,443	28,000	277,076	28,000
Sundry receivables	184,763	-	14,329	-
Total	398,206	28,000	291,405	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
	2018	2018	2017	2017
Trade receivables	43,574	10,000	85,800	10,000
Sundry receivables	182,901	-	12,099	-
Total	226,475	10,000	97,899	10,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 14 FINANCIAL INSTRUMENTS

CREDIT RISK *(continued)*

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 2017 – Consolidated

	0 to 30 Days	31 to 60 Days	61 to 90 Days	90+ days	Total
Trade receivables	242,228	27,032	545	35,271	305,076
Sundry receivables	14,329	-	-	-	14,329
	256,557	27,032	545	35,271	319,405

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

Ageing of financial assets that were past due but not impaired for 2017 – Parent

	0 to 30 Days	31 to 60 Days	61 to 90 Days	90+ days	Total
Trade receivables	73,348	7,368	292	14,792	95,800
Sundry receivables	12,099	-	-	-	12,099
	85,447	7,368	292	14,792	107,899

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 14 FINANCIAL INSTRUMENTS

LIQUIDITY RISK

Contractual 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
Legal fees payable	-	-	-	-	-
	-	221,859	-	-	221,859

Maturities for financial liabilities 2017 – Consolidated

	On demand	< 1 year	1-2 years	>2years	Total
Trade creditors	-	176,774	5,368	-	182,142
Sundry creditors	-	88,320	-	-	88,320
Audit fees accrued	-	33,350	-	-	33,350
Legal fees payable	-	-	-	-	-
	-	298,444	5,368	-	303,812

Contractual 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
Legal fees payable	-	-	-	-	-
	-	108,347	-	-	108,347

Maturities for financial liabilities 2017 - Parent

	On demand	< 1 year	1-2 years	>2years	Total
Trade creditors	-	68,155	-	-	68,155
Sundry creditors	-	57,954	-	-	57,954
Audit fees accrued	-	18,500	-	-	18,500
Legal fees payable	-	-	-	-	-
	-	144,609	-	-	144,609

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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		Floating Interest Rate		Fixed Interest Rate Maturing			
	Effective Interest Rate				Within 1 Year		1 to 5 Years	
	2018	2017	2018	2017	2018	2017	2018	2017
Financial Assets	%	%	\$	\$	\$	\$	\$	\$
Cash at bank	0.32	0.70	417,537	278,613	-	-	-	-
Deposits at call	2.64	2.50	-	-	754,329	1,559,417		
Total Financial Assets			417,537	278,613	754,329	1,559,417		

Parent

	Weighted Average		Floating Interest Rate		Fixed Interest Rate Maturing			
	Effective Interest Rate		Rate		Within 1 Year		1 to 5 Years	
	2018	2017	2018	2017	2018	2017	2018	2017
Financial Assets	%	%	\$	\$	\$	\$	\$	\$
Cash at bank	0.33	1.00	407,319	277,061	-	-	-	-
Deposits at call	2.78	2.43	-	-	500,000	1,300,000		
Total Financial Assets			407,319	207,684	500,000	1,300,000		

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 2018

Note 14 FINANCIAL INSTRUMENTS

Interest Rate Risk *continued*

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

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%	7,544	7,544	(7,544)	(7,544)

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)

SENSITIVITY ANALYSIS OF THE RISK THAT THE ENTITY IS EXPOSED TO FOR 2017

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	1,559,417	2.50%	15,594	15,594	(15,594)	(15,594)

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	1,300,000	2.43%	13,000	13,000	(13,000)	(13,000)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 15 FAIR VALUE MEASUREMENT

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

- Financial assets
- Investment property

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.

	Level	Carrying amount 2018	Fair value 2018	Carrying amount 2017	Fair value 2017
Financial assets					
Shares in subsidiary (note 7)	1	600,004	600,004	600,004	600,004
Non-financial assets					
Investment Property (note 7)	2	1,200,000	1,200,000	1,200,000	1,200,000

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 2018

Note 15 FAIR VALUE MEASUREMENT *continued*

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

- For its investment property, commencing December 2013, the Reporting Unit obtains 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 using the sales comparison approach. Sale prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square metre.

Description	Fair value at June 2018	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Warehouse 7 41 Sabre Drive Port Melbourne VIC 3207	1,200,000	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 \$12,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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	
		2018	2017
Australian Trainers' Association - Western Australia Branch <i>Reporting unit of the Association</i>	Service the needs of the trainers	100%	100%
Racing Supplies Pty Ltd <i>Incorporated in Australia</i>	Sale of products used in Horse Industry	100%	100%

Note 19 ASSOCIATION AND CONTROLLED ENTITIES

The registered office of the association (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 Warwick Bradshaw
31 Quambi Drive, STRATHAM WA 6237
- Racing Supplies Pty Ltd
Warehouse 7 41 Sabre Drive, PORT MELBOURNE VIC 3207