



30 January 2025

Oliver Judd  
Secretary  
National Electrical and Communications Association-Australian Capital Territory Branch

Sent via email: [act@neca.asn.au](mailto:act@neca.asn.au)

CC: [Barbara.Richmond@crowe.com.au](mailto:Barbara.Richmond@crowe.com.au)  
[wendy.ramjee@neca.asn.au](mailto:wendy.ramjee@neca.asn.au)

Dear Oliver Judd

**National Electrical and Communications Association-Australian Capital Territory Branch  
Financial Report for the year ended 30 June 2024 – FR2024/52**

I acknowledge receipt of the financial report for the year ended 30 June 2024 for the National Electrical and Communications Association-Australian Capital Territory Branch (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 6 December 2024.

The financial report has now been filed. 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 Commission will confirm these matters have been addressed prior to filing next year's report.

**General Purpose Financial Report (GPFR)**

Incorrect legislative references

The Commission has been the regulator for registered organisations since 6 March 2023. All references to the Registered Organisations Commission and Commissioner of the Registered Organisations Commission must be changed to the Fair Work Commission and General Manager of the Fair Work Commission.

I note that item e (v) of the Committee of Management Statement and Note 15 to the GPFR both refer to Commissioner instead of General Manager.

Reporting guideline activities not disclosed

Item 20 of the reporting guidelines states that if any of the activities identified within items 9 – 19 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement.

The GPFR contained nil activity information for all prescribed reporting guideline categories except the following:

- Item 12(c) – receive revenue via compulsory levies
- Item 13(d) – pay compulsory levies
- Item 13(g) (iv)- pay separation and redundancy to employees (other than holders of offices)

### **Reporting Requirements**

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

The Commission recommends that reporting units use these model financial statements to assist in complying with the RO Act, the section 253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please call 1300 341 665 or email [regorgs@fwc.gov.au](mailto:regorgs@fwc.gov.au).

Yours sincerely

**Fair Work Commission**

**Certificate by prescribed designated officer for the year ended 30 June 2024**

I, Oliver Judd, being the Secretary of the National Electrical and Communications Association Australian Capital Territory Branch certify:

- that the documents lodged herewith are copies of the full report for the National Electrical and Communications Association Australian Capital Territory Branch for the period ended 30 June 2024 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of National Electrical and Communications Association Australian Capital Territory Branch on the 4th November 2024; and
- that the full report was presented to a general meeting of members of the National Electrical and Communications Association Australian Capital Territory Branch on the 26th November 2024 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer

Name of prescribed designated officer OLIVER JUDD  
Title of prescribed designated officer SECRETARY

Dated: 26th November 2024



## National Electrical and Communications Association Australian Capital Territory Branch

ABN 86 870 297 399

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Financial Statements For the Year Ended 30 June 2024

**Annual Financial Statements**  
**For the year ended 30 June 2024**

**Contents**

Independent Audit Report	3
Report Required under subsection 255(2A)	6
Operating Report	7
Committee of Management Statement	9
Statement of Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes in Equity	12
Statement of Cash Flows	13
Notes to and Forming Part of the Financial Statements	14
Officer Declaration Statement	34

# Independent Audit Report to the Members of National Electrical and Communications Association Australian Capital Territory Branch

## Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of National Electrical and Communications Association Australian Capital Territory Branch (the reporting unit), which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended 30 June 2024, and notes to the financial statements, including a summary of material accounting policies, the committee of management statement, the subsection 255(2A) report and the officer declaration statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of National Electrical and Communications Association Australian Capital Territory Branch as at 30 June 2024, 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).

We 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

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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## 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.

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

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

## 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 ability of 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

Our objectives are 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 our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We 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 our 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the reporting unit to cease to continue as a going concern.
- 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. We are responsible for the direction, supervision and performance of the reporting unit audit. We remain solely responsible for our audit opinion.

We 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 we identify during the audit.

I declare that I am an auditor registered under the RO Act.

*Crowe Audit Australia .*

**Crowe Audit Australia**



**Barbara Richmond**  
Partner

29 October 2024  
Sydney

Registration number (as registered by the Commissioner under the RO Act): (AA2023/1)



**Report Required Under Subsection 255(2A)**  
**For the year ended 30 June 2024**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on National Electrical and Communications Association Australian Capital Territory Branch for the year ended 30 June 2024.

	<b>2024</b>	2023
<b>Categories of expenditure</b>	<b>\$</b>	<b>\$</b>
Remuneration and other employment-related costs and expenses – employees	-	-
Advertising	4,367	765
Operating costs	466,500	368,667
Donations to political parties	-	-
Legal costs	-	-

Signature of prescribed designated officer

Name of the designated officer OLIVER JUDD  
Title of the designated officer SECRETARY

Dated: 29/10/2024

## **Operating Report**

### **For the year ended 30 June 2024**

The Committee of Management presents its report on the National Electrical and Communications Association Australian Capital Territory Branch ("**the Branch**") for the financial year ended 30th of June 2024.

### **Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year**

The principal activities of the Branch during the financial year were to represent the interests of its members in the electro technology industry. The main activities were providing industrial relations advice, Work, Health and Safety advice and technical advice.

### **Non-Financial Results**

The Branch's policy function advocates on behalf of the Branch's members to government, the media and other relevant opinion makers to try to create and maintain a conducive business and regulatory environment for its members. This is principally accomplished through submissions to government inquiries, media releases and directly liaising with politicians, regulators and public servants.

The Branch also disseminates information to members regarding political and regulatory developments, in order to assist them in complying with regulations and to take advantage of and mitigate risks relating to issues affecting their businesses.

### **Significant changes in financial affairs**

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

### **Significant events**

No significant events occurred relating to the Branch during the year.

### **After balance date events**

Other than the current disclosures, there has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Branch, the results of those operations, or the state of affairs of the Branch in subsequent financial periods.

### **Right of members to resign**

Members may resign from the Branch in accordance with Rule 15, Resignation from Membership, of the Federal rules of the National Electrical Contractors Association. Rule 15 conforms with Section 174 of the Fair Work (Registered Organisations) Act 2009.

### **Number of members**

The Branch had 179 (2023: 180) members at financial year end.

### **Number of employees**

The Branch had no full time equivalent (2023: nil FTE) employees at financial year end.

**Operating Report (continued)**  
**For the year ended 30 June 2024**

**Officers or members who are superannuation fund trustees or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position**

To the best of knowledge and belief, no officer or member of the organisation, by virtue of their office or membership of the Branch is:

- (i) A trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) A director of a company that is the trustee of a superannuation entity or an exempt public sector superannuation scheme;

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.

**Names of Committee of Management members and period positions held during the financial year**

<b>Name</b>	<b>Position</b>	<b>Period</b>
Sally Waters	President	1 July 2023 - 30 June 2024
Robert Shelley	Vice President	1 July 2023 - 30 June 2024
Joshua Barmby	Councillor	1 July 2023 - 25 July 2023 (resigned 25 July 2023)
Joshua Barmby	Treasurer	25 July 2023 - 30 June 2024 (appointed 25 July 2023)
Jason Burgess	Councillor	1 July 2023 - 30 June 2024
Mark Decker	Treasurer	1 July 2023 - 25 July 2023 (resigned 25 July 2023)

Unless otherwise stated, committee members have been in office for the full financial year.

Signature of prescribed designated officer

Name of the designated officer OLIVER JUDD  
Title of the designated officer SECRETARY

Dated: 29/10/2024

**Committee of Management Statement  
For the year ended 30 June 2024**

On 29/10/2024 the Committee of Management of the National Electrical and Communications Association Australian Capital Territory Branch ("**the Branch**") passed the following resolution in relation to the general purpose financial report ("**GPFR**") for the year ended 30 June 2024:

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 Branch for the financial year to which they relate;
- d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- e) during the financial year to which the GPFR relates and since the end of that year:
  - i. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a Branch concerned; and
  - ii. the financial affairs of the Branch have been managed in accordance with the rules of the organisation including the rules of a Branch concerned; and
  - iii. the financial records of the Branch have been kept and maintained in accordance with the RO Act; and
  - iv. where the organisation consists of two or more reporting unit's, the financial records of the Branch's have been kept, as far as practicable, in a consistent manner with each of the other Branch's of the organisation; and
  - v. where information has been sought in any request by a member of the Branch or the Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or the Commissioner; and
  - vi. where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
  - vii. This declaration is made in accordance with a resolution of the committee of management.

Signature of prescribed designated officer



Name of prescribed designated officer OLIVER JUDD

Title of prescribed designated officer SECRETARY

Dated: 29/10/2024

**Statement of Comprehensive Income**  
**For the year ended 30 June 2024**

	<b>2024</b>	2023
Note	<b>\$</b>	<b>\$</b>
<b>Revenue from contracts with customers</b>		
Membership subscription	226,614	199,414
Other revenue from another reporting unit	18,523	10,945
Membership services	32,096	25,188
<b>Total revenue from contracts with customers</b>	<b>277,233</b>	<b>235,547</b>
<b>Other income</b>		
Investment income	2,596	1,752
Other income	193,809	181,577
<b>Total other income</b>	<b>196,405</b>	<b>183,329</b>
<b>Total revenue and other income</b>	<b>473,638</b>	<b>418,876</b>
<b>Expenses</b>		
Cost of goods sold - membership services	(19,473)	(10,877)
Capitation fees and other expense to another reporting unit	(297,918)	(202,235)
Affiliation fees and subscriptions	-	-
Administration expenses	(141,225)	(142,041)
Depreciation and amortisation	-	(406)
Audit fees	(9,000)	(6,250)
Other expenses	(3,251)	(7,623)
<b>Total expenses</b>	<b>(470,867)</b>	<b>(369,432)</b>
<b>Surplus for the year</b>	<b>2,771</b>	<b>49,444</b>
<b>Other comprehensive income</b>		
Items that will not be subsequently reclassified to profit or loss	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>	<b>2,771</b>	<b>49,444</b>

The above statement of comprehensive income should be read in conjunction with the accompanying notes

**Statement of Financial Position**  
**As At 30 June 2024**

	Note	2024 \$	2023 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5A	345,021	362,227
Trade and other receivables	5B	114,382	121,692
Prepayments	5C	47,171	7,904
<b>Total current assets</b>		<b>506,574</b>	<b>491,823</b>
<b>Non-current assets</b>			
Intangible assets	6A	-	-
<b>Total non-current assets</b>		<b>-</b>	<b>-</b>
<b>Total assets</b>		<b>506,574</b>	<b>491,823</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	7A	87,406	72,720
Contract liabilities	7B	31,458	34,164
<b>Total current liabilities</b>		<b>118,864</b>	<b>106,884</b>
<b>Total liabilities</b>		<b>118,864</b>	<b>106,884</b>
<b>Net assets</b>		<b>387,710</b>	<b>384,939</b>
<b>EQUITY</b>			
Retained earnings		387,710	384,939
<b>Total equity</b>		<b>387,710</b>	<b>384,939</b>

**Statement of Changes in Equity**  
**For the year ended 30 June 2024**

	Retained earnings	Total equity
	\$	\$
<b>Balance at 1 July 2022</b>	<b>335,495</b>	<b>335,495</b>
Surplus for the year	49,444	49,444
Other comprehensive income for the year	-	-
<b>Closing balance as at 30 June 2023</b>	<b>384,939</b>	<b>384,939</b>
<b>Balance at 1 July 2023</b>	<b>384,939</b>	<b>384,939</b>
Surplus for the year	2,771	2,771
Other comprehensive income for the year	-	-
<b>Closing balance as at 30 June 2024</b>	<b>387,710</b>	<b>387,710</b>

**Statement of Cash Flows**  
**For the year ended 30 June 2024**

	2024	2023
Note	\$	\$
<b>OPERATING ACTIVITIES</b>		
<b>Cash received</b>		
Receipts from customers	465,236	410,375
Receipts from fuel sales (i)	695,162	722,699
Receipts from other reporting units	8B 5,057	50,952
Interest	3B 2,596	1,752
<b>Cash used</b>		
Payments to suppliers and employees	(147,564)	(142,827)
Payment to other reporting units	8B (1,037,693)	(1,093,971)
<b>Net cash used by operating activities</b>	<b>8A (17,206)</b>	<b>(51,020)</b>
<b>Net decrease in cash held</b>	<b>(17,206)</b>	<b>(51,020)</b>
Cash & cash equivalents at the beginning of the reporting period	362,227	413,247
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	<b>5A 345,021</b>	<b>362,227</b>

(i) Fuel scheme income is shown as the net commission earned in Note 3C: Other income.



**Notes to and forming part of the financial statements**

Note 1	Summary of material accounting policies
Note 2	Events after the reporting period
Note 3	Revenue and Income
Note 4	Expenses
Note 5	Current assets
Note 6	Non-current assets
Note 7	Current liabilities
Note 8	Cash flow
Note 9	Contingent liabilities, assets and commitments
Note 10	Related party disclosures
Note 11	Remuneration of auditors
Note 12	Financial instruments
Note 13	Association Details
Note 14	Administration of financial affairs by a third party
Note 15	Section 272 <i>Fair Work (Registered Organisations) Act 2009</i>

Notes to the Financial Statements  
For the year ended 30 June 2024

Note 1 Summary of material accounting policies

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

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("**AASB**") that apply for the reporting period, and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, National Electrical and Communications Association Australian Capital Territory Branch ("**the Branch**") 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 Comparative amounts**

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

**1.3 Significant accounting judgements and estimates**

The Committee of Management make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates. The significant estimates and judgements made have been described below.

**Allowance for expected credit losses**

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

**1.4 New Australian accounting standards**

Adoption of New Australian Accounting Standard requirements

The accounting policies adopted are consistent with those of the previous financial year.

No accounting standard has been adopted earlier than the application date stated in the standard.

**1.5 Acquisition of assets and or liabilities that do not constitute a business combination**

The Branch did not 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 the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

**1.6 Revenue**

The Branch enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, grants, and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

**Notes to the Financial Statements**  
**For the year ended 30 June 2024**

**Note 1 Summary of material accounting policies (continued)**

**1.6 Revenue (continued)**

**Revenue from contracts with customers**

Where the Branch has a contract with a customer, the Branch recognises revenue when or as it transfers control of goods or services to the customer. The Branch accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

**Membership subscriptions**

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Branch.

If there is only one distinct membership service promised in the arrangement, the Branch recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Branch promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Branch allocates the transaction price to each performance obligation based on the relative standalone selling prices of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the branch charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), the Branch recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Branch has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the branch at their standalone selling price, the Branch accounts for those sales as a separate contract with a customer.

**Income of the Branch as a Not-for-Profit Entity**

Consideration is received by the Branch to enable the entity to further its objectives. The Branch recognises each of these amounts of consideration as income when the consideration is received (which is when the branch obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- the branch recognition of the cash contribution does not give to any related liabilities.

Notes to the Financial Statements  
For the year ended 30 June 2024

Note 1 Summary of material accounting policies (continued)

1.6 Revenue (continued)

**Gains from sale of assets**

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

**Interest income**

Interest revenue is recognised on an accrual basis using the effective interest method.

1.7 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 3 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.

1.8 Financial instruments

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

1.9 Financial assets

**Contract assets and receivables**

A contract asset is recognised when the Branch's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Branch's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

**Initial recognition and measurement**

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income ("**OCI**"), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Branch's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Branch initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' ("**SPPI**") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Branch's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

**Notes to the Financial Statements**  
**For the year ended 30 June 2024**

**Note 1 Summary of material accounting policies (continued)**

**1.9 Financial assets (continued)**

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Branch commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

**Financial assets at amortised cost**

The Branch measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Branch's financial assets at amortised cost includes trade receivables and loans to related parties.

**Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

**Derecognition**

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Branch has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - a) the Branch has transferred substantially all the risks and rewards of the asset, or
  - b) the Branch has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

**Notes to the Financial Statements**  
**For the year ended 30 June 2024**

**Note 1 Summary of material accounting policies (continued)**

**1.9 Financial assets (continued)**

When the Branch has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Branch continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

**Offsetting**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**Impairment**

Expected credit losses

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

**(i) Trade receivables**

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

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

**1.10 Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Branch's financial liabilities include trade and other payables.

**Subsequent measurement**

**Financial liabilities at amortised cost**

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

**Notes to the Financial Statements**  
**For the year ended 30 June 2024**

**Note 1 Summary of material accounting policies (continued)**

**1.10 Financial liabilities (continued)**

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

**Debt instruments other than trade receivables**

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

ECLs are recognised in two stages:

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

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

**1.11 Liabilities relating to contracts with customers**

**Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Branch transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Branch performs under the contract (i.e., transfers control of the related goods or services to the customer).

**Refund liabilities**

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Branch's refund liabilities arise from customers' right of return. The liability is measured at the amount the Branch ultimately expects it will have to return to the customer. The Branch updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

**1.12 Contingent liabilities and contingent assets**

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.



**Notes to the Financial Statements**  
**For the year ended 30 June 2024**

**Note 1 Summary of material accounting policies (continued)**

**1.13 Intangibles**

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The useful life of the Branch's intangible assets are:

	2024	2023
Software	2-5 years	2-5 years

**Derecognition**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit and loss when the asset is derecognised.

**1.14 Impairment of 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.

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

**1.15 Taxation**

The Branch is exempt from income tax under section 50.1 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 statement of cash flows 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.

**1.16 Going concern**

The financial report has been prepared on the going concern basis. The committee of management believe 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.

**Note 2 Events after the reporting period**

Other than the current disclosures, there has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Branch, the results of those operations, or the state of affairs of the Branch in subsequent financial periods.



**Notes to the Financial Statements**  
**For the year ended 30 June 2024**

**Note 3 Revenue and income**

**Disaggregation of revenue from contracts with customers**

A disaggregation of the Branch's revenue by type of arrangements is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of revenue by type of customer.

<b>Type of customer</b>	<b>2024</b>	2023
	<b>\$</b>	<b>\$</b>
Members	258,710	224,602
Other reporting units	18,523	10,945
<b>Total revenue from contracts with customers</b>	<b>277,233</b>	<b>235,547</b>

**Note 3A: Other revenue from another reporting unit**

**Reporting units:**

National Electrical and Communications Association - New South Wales Branch

Others- Insurance Commission

Other income

**Related parties**

NECA Trade Services Pty Ltd

Other income

**Total other revenue from other reporting unit**

	12,353	10,945
	2,819	-
	3,351	-
<b>Total other revenue from other reporting unit</b>	<b>18,523</b>	<b>10,945</b>

**Note 3B: Investment income**

Interest

Deposits

**Total investment income**

	2,596	1,752
<b>Total investment income</b>	<b>2,596</b>	<b>1,752</b>

**Note 3C: Other income**

Fuel scheme income

Events and conferences

Excellence awards - sponsorship

Roadshow income

Other income

**Total revenue from other income**

	5,806	6,749
	163,737	164,564
	-	-
	24,266	10,264
<b>Total revenue from other income</b>	<b>193,809</b>	<b>181,577</b>

**Notes to the Financial Statements**  
**For the year ended 30 June 2024**

	2024 \$	2023 \$
<b>Note 4 Expenses</b>		
<b>Note 4A: Capitation fees and other expense to another reporting unit</b>		
<b>Capitation fees</b>		
National Electrical and Communications Association - National Office	43,871	43,406
<b>Subtotal capitation fees</b>	<b>43,871</b>	<b>43,406</b>
<b>Other expense to another reporting unit</b>		
<b>Reporting unit's:</b>		
National Electrical and Communications Association - National Office		
Management fee	28,412	27,034
Conference and meeting expenses	-	-
Insurance	-	-
Other expenses	-	-
National Electrical and Communications Association - New South Wales Branch		
Management fee	171,358	35,684
Consultant fees	-	63,430
<b>Related parties</b>		
ECA Training Pty Ltd		
Management fee	25,501	27,726
NECA Legal Pty Ltd		
Other expenses	28,776	4,955
<b>Subtotal other expense to another reporting unit</b>	<b>254,047</b>	<b>158,829</b>
<b>Total capitation fees and other expense to another reporting unit</b>	<b>297,918</b>	<b>202,235</b>
<b>Note 4B: Affiliation fees and subscriptions</b>		
Subscriptions	-	-
<b>Total affiliation fees and subscriptions</b>	<b>-</b>	<b>-</b>
<b>Note 4C: Administration expenses</b>		
Conference and meeting expenses	113,452	114,549
Contractors/consultants	-	-
Office expenses	-	2,387
Computer expenses	15,319	15,324
Travel and accommodation expenses	1,420	721
Motor vehicle expenses	-	-
Other	11,034	9,060
<b>Subtotal administration expense</b>	<b>141,225</b>	<b>142,041</b>
Operating lease rentals:		
Minimum lease payments	-	-
<b>Total administration expenses</b>	<b>141,225</b>	<b>142,041</b>
<b>Note 4D: Depreciation and amortisation</b>		
Amortisation	-	406
<b>Total depreciation and amortisation</b>	<b>-</b>	<b>406</b>

Notes to the Financial Statements  
For the year ended 30 June 2024

	2024 \$	2023 \$
<b>Note 4E: Other expenses</b>		
Bad debts	2,700	6,661
Other expenses	551	962
<b>Total other expenses</b>	<b>3,251</b>	<b>7,623</b>

**Note 5 Current assets**

**Note 5A: Cash and cash equivalents**

Cash at bank	345,021	362,227
<b>Total cash and cash equivalents</b>	<b>345,021</b>	<b>362,227</b>

**Note 5B: Trade and other receivables**

**Receivables from other reporting units**

National Electrical and Communications Association - New South Wales Branch

**Receivables from related parties**

ECA Training Pty Ltd	1,845	-
NECA Trade Services Pty Ltd	843	-
<b>Total receivables from other reporting units</b>	<b>2,688</b>	<b>27,009</b>

**Other receivables:**

Trade receivables	109,330	92,608
Other receivables	-	-
GST receivable	8,295	7,272
<b>Total other receivables</b>	<b>117,625</b>	<b>99,880</b>

Less allowance for expected credit losses

	(5,931)	(5,197)
<b>Total allowance for expected credit losses</b>	<b>(5,931)</b>	<b>(5,197)</b>
<b>Other receivables (net)</b>	<b>111,694</b>	<b>94,683</b>
<b>Total trade and other receivables (net)</b>	<b>114,382</b>	<b>121,692</b>

The movement in the allowance for expected credit losses of trade and other receivables is as follows:

<b>Balance at beginning of year</b>	<b>(5,197)</b>	<b>(1,489)</b>
Increase in provision recognised in the Statement of Comprehensive Income	(734)	(3,708)
Reversal of unused provision recognised in the Statement of Comprehensive income	-	-
<b>Balance at end of year</b>	<b>(5,931)</b>	<b>(5,197)</b>

**Note 5C: Prepayments**

Prepayments - general	7,151	4,194
Prepayments - event costs	40,020	3,710
<b>Total prepayments</b>	<b>47,171</b>	<b>7,904</b>

Notes to the Financial Statements  
For the year ended 30 June 2024

	2024 \$	2023 \$
<b>Note 6 Non-current Assets</b>		
<b>Note 6A: Intangible assets</b>		
Software - at cost	-	-
less accumulated amortisation	-	-
<b>Total intangible assets</b>	<b>-</b>	<b>-</b>
<b>Balance at 1 July 2022</b>	<b>406</b>	
Additions	-	
Disposals	-	
Amortisation	(406)	
<b>Balance at 30 June 2023</b>	<b>-</b>	
<b>Balance at 1 July 2023</b>	<b>-</b>	
Additions	-	
Disposals	-	
Amortisation	-	
<b>Balance at 30 June 2024</b>	<b>-</b>	

<b>Note 7 Current liabilities</b>		
<b>Note 7A: Trade payables</b>		
Trade creditors and accruals	16,005	7,182
<b>Subtotal trade creditors</b>	<b>16,005</b>	<b>7,182</b>
<b>Payables to other reporting units</b>		
National Electrical and Communications Association - National Office	6,155	21,370
National Electrical and Communications Association - Tasmanian Branch	-	16,500
National Electrical and Communications Association - Western Australia Branch	-	484
National Electrical and Communications Association - New South Wales Branch	73,405	-
<b>Payables to related parties</b>		
ECA Training Pty Ltd	-	25,268
NECA Legal Pty Ltd	(8,159)	1,916
<b>Subtotal payables to other reporting units</b>	<b>71,401</b>	<b>65,538</b>
<b>Total trade payables</b>	<b>87,406</b>	<b>72,720</b>
Trade payables are expected to be settled in:		
No more than 12 months	87,406	72,720
More than 12 months	-	-
<b>Total other payables</b>	<b>87,406</b>	<b>72,720</b>

Settlement is usually made within 30 days.

The Officer Holder(s) annual leave and long service leave provisions are provided for by the Employer, the National Electrical and Communications Association – National Office and as such, the Branch carries no (2023 : NIL) provisions in the accounts.

<b>Note 7B: Contract liabilities</b>		
<b>Current</b>		
Income in advance	31,458	34,164
<b>Total contract liabilities</b>	<b>31,458</b>	<b>34,164</b>

**Notes to the Financial Statements**  
**For the year ended 30 June 2024**

**Note 8 Cash flow**

**Note 8A: Cash flow reconciliation**

Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement:

**Cash and cash equivalents as per:**

	2024 \$	2023 \$
Cash flow statement	345,021	362,227
Balance sheet	345,021	362,227

**Difference**

**Reconciliation of surplus to net cash from operating activities:**

Surplus for the year	2,771	49,443
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**Adjustments for non-cash items**

Depreciation/amortisation	-	406
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**Changes in assets/liabilities**

(Increase)/decrease in net receivables	7,310	(6,510)
(Increase)/decrease in prepayments	(39,267)	(941)
Increase/(decrease) in trade payables	14,686	(50,285)
Increase/(decrease) in contract liabilities	(2,706)	(43,133)

**Net cash used by operating activities**

<b>(17,206)</b>	<b>(51,020)</b>
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**Note 8B: Cash flow information**

**Cash inflows from operations**

**Other reporting units**

National Electrical and Communications Association - National Office	2,213	49,500
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**Related parties**

ECA Training Pty Ltd	-	1,452
NECA Trade Services Pty Ltd	2,844	-

**Total cash inflows**

<b>5,057</b>	<b>50,952</b>
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**Cash outflows**

**Other reporting units**

National Electrical and Communications Association - National Office	96,875	64,328
National Electrical and Communications Association - New South Wales Branch	827,609	1,017,233
National Electrical and Communications Association - Tasmanian Branch	16,500	-
National Electrical and Communications Association - Western Australia Branch	484	-

**Related parties**

ECA Training Pty Ltd	54,496	8,225
NECA Legal Pty Ltd	41,729	4,185

**Total cash outflows**

<b>1,037,693</b>	<b>1,093,971</b>
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**Note 9 Contingent liabilities, assets and commitments**

There are no material financial contingencies to report at balance date.

**Notes to the Financial Statements**  
**For the year ended 30 June 2024**

**Note 10 Related party disclosures**

**Note 10A: Related party transactions for the reporting period**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

During the year the Branch received subscriptions from committee member related entities on normal commercial terms and conditions.

Remuneration of committee members during the year was \$nil (2023: \$nil).

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

	<b>2024</b>	2023
	\$	\$
<b>Revenue received from:</b>		
<b>Other reporting units</b>		
Refer to Note 3A: Other revenue from another reporting unit	18,523	10,945
<b>Expenses paid to:</b>		
<b>Other reporting units</b>		
Refer to Note 4A: Capitation fees and other expense to another reporting unit	297,918	202,235
<b>Amounts owed by</b>		
<b>Other reporting units</b>	-	-
<b>Amounts owed to</b>		
<b>Other reporting units</b>		
Refer to Note 7A: Trade payables	71,401	65,538

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

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2024, the Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2023: \$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.

No expected credit losses have been raised in relation to any outstanding balances, and no expense has been recognised in respect of expected credit losses due from loan to a related party.

**Note 10B: Key management personnel remuneration for the reporting period**

There were no transactions with key management personnel in the current period (2023: \$nil).

**Note 10C: Transactions with key management personnel and their close family members**

**Loans to/from key management personnel**

The Branch has not provided or received any loans with key management personnel (2023: \$nil).

**Other transactions with key management personnel**

Committee members, directors and their related entities are able to use the services provided by the National Electrical and Communications Association. Such services are made available on terms and conditions no more favourable than those available to other members.

**Notes to the Financial Statements**  
**For the year ended 30 June 2024**

**Note 11 Remuneration of auditors**

**Value of the services provided**

Financial statement audit services

**Total remuneration of auditors**

2024	2023
\$	\$
9,000	6,250
<b>9,000</b>	<b>6,250</b>

The auditor is Crowe Audit Australia. The fees are stated net of GST.

**Note 12 Financial instruments**

The main risks the Branch are exposed to, through its financial instruments, are credit risk, liquidity risk and market risk consisting of interest rate risk, and equity price risk.

The Branch financial instruments consist mainly of deposits with banks, local money market instruments, short term investments, accounts receivable and payable, bank loans and overdrafts, loans to and from related parties.

The totals for each category of financial instruments, measured in accordance with AASB 9, as detailed in the accounting policies to these financial statements, are as follows:

**Note 12A: Categories of financial instruments**

**Financial Assets at amortised cost**

Cash and cash equivalents

Trade and other receivables

**Total financial Assets at amortised cost**

**Financial liabilities at amortised cost**

Trade payables

**Total financial liabilities at amortised cost**

Note		
5A	345,021	362,227
5B	114,382	121,692
	<b>459,403</b>	<b>483,919</b>
7A	87,406	72,720
	<b>87,406</b>	<b>72,720</b>

The Committee of Management has overall responsibility for the establishment of the Branch's financial risk management framework. This includes the development of policies covering specific areas such as, interest rate risk and credit risk.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Association's activities.

The day to day risk management is carried out under policies and objectives which have been approved by the Committee of Management. The Chief Financial Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and foreign exchange rate risk and assessment of market forecasts for interest rate movements. The Committee of Management receives monthly reports which provide details of the effectiveness of the processes and policies in place.

The Branch does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Notes to the Financial Statements  
For the year ended 30 June 2024

**Note 12 Financial instruments (continued)**  
**Note 12B: Net income and expense from financial assets**

**Amortised cost**

Interest revenue

**Net income and expense from financial assets**

	2024 \$	2023 \$
Note		
3B	2,596	1,752
	<b>2,596</b>	<b>1,752</b>

**Note 12C: Credit risk**

Exposure to credit risk relating to financial assets arises from the potential non performance by counterparties of contract obligations that could lead to a financial loss to the Branch and arises principally from the Branch's receivables.

**Credit risk exposures**

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the Statement of Financial Position.

The Branch has no significant concentration of credit risk with any single counterparty or Branch of counterparties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 5B.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 5B.

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

**Financial assets**

Trade receivables

**Total financial assets**

5B	109,330	92,608
	<b>109,330</b>	<b>92,608</b>



**Notes to the Financial Statements**  
**For the year ended 30 June 2024**

**Note 12 Financial instruments (continued)**  
**Note 12C: Credit risk (continued)**

Set out below is the information about the credit risk exposure on financial assets using a provision matrix:

	<b>30 June 2024</b>					
	<b>Trade and other receivables</b>					
	<b>Days past due</b>					
	<b>On Demand</b>	<b>&lt;30 days</b>	<b>30-60 days</b>	<b>61-90 days</b>	<b>&gt;91 days</b>	<b>Total</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Expected credit loss rate	0%	2.9%	3.0%	4.0%	172.4%	
Estimate total gross carrying amount at default	-	104,844	4,882	726	1,567	<b>112,019</b>
Expected credit loss	-	3,055	146	29	2,702	<b>5,932</b>

	<b>30 June 2023</b>					
	<b>Trade and other receivables</b>					
	<b>Days past due</b>					
	<b>On Demand</b>	<b>&lt;30 days</b>	<b>30-60 days</b>	<b>61-90 days</b>	<b>&gt;91 days</b>	<b>Total</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Expected credit loss rate	0%	5.0%	6.0%	10.4%	12.0%	
Estimate total gross carrying amount at default	-	82,655	1,456	2,666	5,831	<b>92,608</b>
Expected credit loss	-	4,133	87	277	700	<b>5,197</b>

The Branch's maximum exposure to credit risk for the components of the statement of financial position at 30 June 2024 and 2023 is the carrying amounts as illustrated in Note 12C.

**Note 12D: Liquidity risk**

Liquidity risk arises from the possibility that the Branch might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Branch manages this risk through the following mechanisms:

- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Typically, the Branch ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

**Notes to the Financial Statements**  
**For the year ended 30 June 2024**

**Note 12 Financial instruments (continued)**  
**Note 12D: Liquidity risk (continued)**

**Contractual maturities for financial liabilities 2024**

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade and other payables	-	87,406	-	-	-	<b>87,406</b>
<b>Total</b>	<b>-</b>	<b>87,406</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87,406</b>

**Contractual maturities for financial liabilities 2023**

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade and other payables	-	72,720	-	-	-	<b>72,720</b>
<b>Total</b>	<b>-</b>	<b>72,720</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72,720</b>

**Note 12E: Market risk**

Market risk is the risk that the fair value or future cash flows of the financial instruments held within the Branch will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. The exposure to market risk is a result of the asset allocation strategy prescribing investments across certain asset classes. The Branch is only exposed to interest rate risk and other price risk as detailed below.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial market instrument will fluctuate because of changes in market interest rates. The Branch is affected by interest rate risk due to its directly held cash balances. The Branch does not have any floating rate debt instruments for both 2024 and 2023. The exposure to interest rate risk has a direct impact on the Statement of Comprehensive Income and Statement of Financial Position of the Branch.

Interest rate risk is measured and monitored by the calculation of the duration of the investment portfolios which approximates the percentage change in portfolio valuation from a percentage change in market interest rates.

Interest rate risk is measured and monitored by the calculation of the duration of the investment portfolios which approximates the percentage change in portfolio valuation from a percentage change in market interest rates. The only component of the financial instruments directly impacted by interest rates volatility for the purposes of quantifying the interest rate sensitivities are the cash holdings either within the individual portfolios or the master custodian accounts for the investment portfolio.

The following table illustrates sensitivities to the Branch's exposure to changes in interest rates on its directly held cash balances. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

Notes to the Financial Statements  
For the year ended 30 June 2024

**Note 12 Financial instruments (continued)**

**Note 12E: Market risk (continued)**

Sensitivity analysis of the risk that the entity is exposed to for 2024

	Change in risk variable %	Effect on	
		Profit \$	Equity \$
Interest rate risk	2%	6,900	6,900
Interest rate risk	-2%	(6,900)	(6,900)

Sensitivity analysis of the risk that the entity is exposed to for 2023

	Change in risk variable %	Effect on	
		Profit \$	Equity \$
Interest rate risk	2%	7,245	7,245
Interest rate risk	-2%	(7,245)	(7,245)

Management of the Branch assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 30 June 2024 was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Branch based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 30 June 2024 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

The following table contains the carrying amounts and related fair values for the Branch's financial assets and liabilities:

		Carrying amount 2024 \$	Fair value 2024 \$	Carrying amount 2023 \$	Fair value 2023 \$
<b>Financial assets</b>	Note				
Cash and cash equivalents	5A	345,021	345,021	362,227	362,227
Trade and other receivables	5B	114,382	114,382	121,692	121,692
<b>Total</b>		<b>459,403</b>	<b>459,403</b>	<b>483,919</b>	<b>483,919</b>
<b>Financial liabilities</b>					
Trade and other payables	7A	87,406	87,406	72,720	72,720
<b>Total</b>		<b>87,406</b>	<b>87,406</b>	<b>72,720</b>	<b>72,720</b>

**Notes to the Financial Statements  
For the year ended 30 June 2024**

**Note 13 Association Detail**

The principal place of business of the Branch is:

National Electrical and Communications Association Australian Capital Territory Branch  
49 Tennant Street  
Fyshwick, Australian Capital Territory, 2609

**Note 14 Administration of financial affairs by a third party**

**Name of entity providing service:**

ECA Training Pty Ltd

**Terms and conditions:**

ECA Training Pty Ltd will manage all of NECA ACT Branch operations for which it will charge a financial services fee of \$2,125 per month. (2023: \$2,311 per month).

**Nature of expenses/consultancy service:**

Administration, Financial and Membership Services

**Detailed breakdown of expenses incurred**

	2024 \$	2023 \$
<b>Expenses</b>		
NECA NSW - Member services	171,358	99,113
ECA Training - Financial services	25,501	27,726
NECA National - Administration services	28,412	27,034
<b>Total expenses</b>	<b>225,271</b>	<b>153,873</b>

**Note 15 Section 272 Fair Work (Registered Organisations) Act 2009**

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

Information to be provided to members or 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).

**Officer declaration statement**

I, Oliver Judd, being the Secretary of the National Electrical and Communications Association Australian Capital Territory Branch ("**the Branch**") declare that the following activities did not occur during the reporting period ending 30 June 2024.

The Branch 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 or any other revenue amount from another reporting unit
- 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 affiliation fees to other entity
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- pay wages and salaries to employees (other than holders of office)
- pay superannuation to employees (other than holders of office)
- pay leave and other entitlements to employees (other than holders of office)
- pay other employee expenses to employees (other than holders of office)
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- pay legal costs relating to litigation
- pay legal costs relating to other legal matters
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a receivable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a annual leave provision in respect of employees (other than holders of office)
- have a long service leave provision in respect of employees (other than holders of office)
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)
- 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 a balance within the general fund
- make a payment to a former related party of the reporting unit

Signature of prescribed designated officer

Name of prescribed designated officer OLIVER JUDD  
Title of prescribed designated officer SECRETARY

Dated: 29/10/2024