



19 January 2026

Peter Beveridge
President
National Electrical and Communications Association

Sent via email: necanat@neca.asn.au

CC: Barbara.Richmond@crowe.com.au

wendy.ramjee@neca.asn.au

Dear Peter Beveridge

**National Electrical and Communications Association
Financial Report for the year ended 30 June 2025 – FR2025/157**

I acknowledge receipt of the financial report for the year ended 30 June 2025 for the National Electrical and Communications Association (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 8 December 2025.

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.

1. General Purpose Financial Report (GPFR)

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 general purpose financial report contained nil activity information for all prescribed reporting guideline categories except the following:

- Item 12(e) – receive revenue from undertaking recovery of wages activity
- Item 13(b) – pay capitation fees or any other expense to another reporting unit
- Item 13(e)(iii) – pay a donation that was \$1,000 or less
- Item 13(e)(iv) – pay a donation that exceeded \$1,000
- Item 13(h) – pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit

- Item 13(j)(i) – pay legal costs relating to litigation
- Item 15(b)(i) – have a payable in respect of legal costs relating to litigation
- Item 15(b)(ii) - have a payable in respect of legal costs relating to other legal matters

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.

Yours sincerely

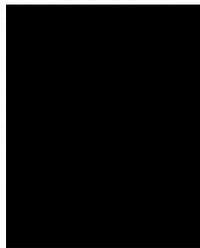
Fair Work Commission

**Certificate by prescribed designated officer
For the year ended 30 June 2025**

I, Peter Beveridge, being the National President of the National Electrical and Communications Association National Office certify:

- that the documents lodged herewith are copies of the full report for the National Electrical and Communications Association National Office for the period ended 30 June 2025 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 National Office on 5th November 2025; and
- that the full report was presented to a general meeting of members of the National Electrical and Communications Association National Office on 27th November 2025 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer



Name of prescribed designated officer Peter Beveridge
Title of prescribed designated officer National President

Dated: 27th November 2025

National Electrical and Communications Association - National Office and its controlled entities

Annual Report - 30 June 2025

National Electrical and Communications Association - National Office and its controlled entities
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30 June 2025

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National Electrical and Communications Association - National Office and its controlled entities
Report required under subsection 255(2A)
30 June 2025

The Committee of Management presents the expenditure report as required under subsection 255(2A) on National Electrical and Communications Association National Office for the year ended 30 June 2025.

Categories of expenditure	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Remuneration and other employment-related costs and expenses – employees	124,448,091	111,435,913	1,963,489	1,703,938
Advertising and promotion	2,852,340	2,851,271	1,375,750	904,922
Operating costs	21,221,246	19,228,552	581,555	467,166
Donations to political parties	6,120	-	6,120	-
Legal costs	86,228	208,489	13,170	40,861
	<u>148,614,025</u>	<u>133,724,225</u>	<u>3,940,084</u>	<u>3,116,887</u>

This report is made in accordance with a resolution of officers.

On behalf of the officers

Signature of designated officer



Name of the designated officer: Michael Davis

Title of the designated officer: Treasurer

5 November 2025

Independent Auditor's Report to the Members of National Electrical and Communications Association National Office and its controlled entities

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of National Electrical and Communications Association National Office and its controlled entities ("NECA National Office" or the "reporting unit"), which comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, 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 declarations statement.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of National Electrical and Communications Association National office and its controlled entities as at 30 June 2025, 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 the 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

Our 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 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 scepticism 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. The auditor is responsible for the direction, supervision and performance of the reporting unit audit. The auditor remains solely responsible for the 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 a registered auditor under the RO Act.

Crowe Audit Australia .

Crowe Audit Australia



Barbara Richmond
Partner

5 November 2025
Sydney

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

**National Electrical and Communications Association - National Office and its controlled entities
Operating Report
30 June 2025**

The Committee of Management presents its operating report on the National Electrical and Communications Association National Office and controlled entities ("NECA" or "the Group") for the financial year ended 30 June 2025.

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 NECA involve representing the interests of its members in the electrical and communications contracting industry. Its principal activities, and through its branches, include industrial relations, health and safety, legal, training, business-support services and advocacy representation with government, industry bodies, training bodies and in the industrial tribunals. A review of those activities presents the same as in the previous reporting period, such that there were no significant changes in the nature of those activities.

Significant changes in financial affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

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 NECA, the results of those operations, or the state of affairs of NECA in subsequent financial periods.

Officers or members who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee

Name	Position	Is the position held because they are an officer/member of NECA or were nominated by NECA?
John Williams	Director of NESS Super Pty Ltd	Yes

Rights of members to resign

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

Number of members and employees

NECA had 6019 (2024: 6,674) members as at 30 June 2025.

NECA had 9 full time equivalent ('FTE') (2024: 8 FTE) employees as at 30 June 2025. The controlled entities had 217 (2024: 197) employees and 1,511 (2024: 1,263) apprentices and trainees.

**National Electrical and Communications Association - National Office and its controlled entities
Operating Report
30 June 2025**

Names of committee of management members and period positions held during the financial year

The following persons were committee members of National Electrical and Communications Association during the whole of the financial year and up to the date of this report, unless otherwise stated:

Person	Title	Period	
Peter Beveridge	President	26 Sep 24 - 30 Jun 25	(appointed 26 September 24)
Peter Beveridge	Vice President	01 Jul 24 - 26 Sep 24	(resigned 26 September 24)
David McInnes	President	01 Jul 24 - 26 Sep 24	(resigned 26 September 24)
Stewart Joyce	Vice President	26 Sep 24 - 30 Jun 25	(appointed 26 September 24)
Stewart Joyce	Committee Member	01 Jul 24 - 26 Sep 24	(resigned 26 September 24)
Michael Davis	Treasurer	26 Sep 24 - 30 Jun 25	(appointed 26 September 24)
Michael Davis	Committee Member	01 Jul 24 - 26 Sep 24	(resigned 26 September 24)
Jim Heerey	Treasurer	01 Jul 24 - 26 Sep 24	(resigned 26 September 24)
Jim Heerey	Committee Member	26 Sep 24 - 30 Jun 25	(appointed 26 September 24)
David Peirce	Committee Member	01 Jul 24 - 30 Jun 25	
Joshua Barmby	Committee Member	01 Jul 24 - 30 Jun 25	
Bruce Duff	Committee Member	01 Jul 24 - 30 Jun 25	
Sally Waters	Committee Member	01 Jul 24 - 30 Jun 25	
Stephen Kerfoot	Committee Member	01 Jul 24 - 30 Jun 25	
David James	Committee Member	20 Jun 25 - 30 Jun 25	(appointed 20 June 25)
David Lethbridge	Committee Member	01 Jul 24 - 20 Jun 25	(resigned 20 June 25)
Andrew Cross	Committee Member	01 Jul 24 - 30 Jun 25	
Greg Hodlby	Committee Member	01 Jul 24 - 30 Jun 25	
Wayne Hobson	Committee Member	01 Jul 24 - 30 May 25	(resigned 30 May 25)
Chris Sweeting	Committee Member	01 Jul 24 - 30 Jun 25	
Oliver Judd	CEO	01 Jul 24 - 30 Jun 25	(resigned 17 October 25)

Signature of designated officer



Name of the designated officer: Michael Davis

Title of the designated officer: Treasurer

5 November 2025

National Electrical and Communications Association - National Office and its controlled entities
Committee of management statement
30 June 2025

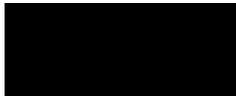
On 5 November 2025 the Committee of Management of the National Electrical and Communications Association National Office passed the following resolution in relation to the general purpose financial report (**GPFR**) for the year ended 30 June 2025:

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 National Electrical and Communications Association National Office for the financial year to which they relate;
- d) there are reasonable grounds to believe that National Electrical and Communications Association National Office 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 National Electrical and Communications Association National Office have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - iii. the financial records of National Electrical and Communications Association National Office have been kept and maintained in accordance with the RO Act; and
 - iv. where the organisation consists of two or more reporting units, the financial records of National Electrical and Communications Association National Office have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - v. where information has been sought in any request by a member of National Electrical and Communications Association National Office or the General Manager duly made under section 272 of the RO Act, that information has been provided to the member or the General Manager; 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.

This declaration is made in accordance with a resolution of the committee of management.

Signature of designated officer



Name of the designated officer: Michael Davis
Title of the designated officer: Treasurer

Dated: 5 November 2025

National Electrical and Communications Association - National Office and its controlled entities
Consolidated statements of comprehensive income
For the year ended 30 June 2025

	Note	Consolidated		Parent	
		2025 \$	2024 \$	2025 \$	2024 \$
Revenue from contracts with customers					
Revenue from contracts with customers		150,019,508	135,123,993	1,661,116	1,540,438
Investment income		1,231,394	1,070,603	28,197	22,774
Other income		2,382,744	1,895,479	2,201,319	1,553,513
Total revenue from contracts with customers		<u>153,633,646</u>	<u>138,090,075</u>	<u>3,890,632</u>	<u>3,116,725</u>
Revenue from contracts with customers					
Apprentice hire and traineeship revenue		125,600,934	113,351,322	-	-
Sale of products and services		15,320,148	13,139,172	-	-
Licence revenue		762,648	737,946	-	-
Capitation fees	4	1,661,116	1,540,438	1,661,116	1,540,438
Total revenue from contracts with customers		<u>143,344,846</u>	<u>128,768,878</u>	<u>1,661,116</u>	<u>1,540,438</u>
Income for furthering objectives					
Government grants		6,699,080	6,621,744	-	-
Donations from other parties		-	25,000	-	-
Total income for furthering objectives		<u>6,699,080</u>	<u>6,646,744</u>	<u>-</u>	<u>-</u>
Other Income					
Net loss from sale of assets	5	(24,418)	(291,629)	-	-
Investment income	5	1,231,394	1,070,603	28,197	22,774
Other income	5	2,382,744	1,895,479	2,201,319	1,553,513
Total other income		<u>3,589,720</u>	<u>2,674,453</u>	<u>2,229,516</u>	<u>1,576,287</u>
Total income		<u><u>153,633,646</u></u>	<u><u>138,090,075</u></u>	<u><u>3,890,632</u></u>	<u><u>3,116,725</u></u>

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

National Electrical and Communications Association - National Office and its controlled entities
Consolidated statements of comprehensive income
For the year ended 30 June 2025

	Note	Consolidated		Parent	
		2025	2024	2025	2024
		\$	\$	\$	\$
Expenses					
Employee expenses	6	(124,448,091)	(111,435,913)	(1,963,489)	(1,703,938)
Cost of goods sold		(4,962,525)	(4,536,199)	-	-
Affiliation and subscription expenses	7	(299,051)	(350,336)	(29,620)	(30,536)
Administration expenses	8	(8,552,164)	(7,045,526)	(486,626)	(376,570)
Depreciation and amortisation expense	9	(3,089,515)	(3,092,742)	(7,916)	(26,841)
Finance costs	10	(110,189)	(329,232)	-	-
Legal costs	11	(86,228)	(208,489)	(13,170)	(40,861)
Other expenses	12	(6,838,813)	(6,549,485)	(1,380,563)	(899,647)
Audit fees		(227,449)	(176,303)	(58,700)	(38,494)
Total expenses		<u>(148,614,025)</u>	<u>(133,724,225)</u>	<u>(3,940,084)</u>	<u>(3,116,887)</u>
Surplus/(deficit) before income tax expense		5,019,621	4,365,850	(49,452)	(162)
Income tax expense	13	(87,061)	(23,689)	-	-
Surplus/(deficit) after income tax expense for the year attributable to the members of National Electrical and Communications Association		4,932,560	4,342,161	(49,452)	(162)
Other comprehensive income					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Gain on the revaluation of land and buildings, net of tax		344,727	-	-	-
Gain on the revaluation of financial assets, net of tax		305,805	242,019	-	-
Other comprehensive income for the year, net of tax		<u>650,532</u>	<u>242,019</u>	<u>-</u>	<u>-</u>
Total comprehensive income/(loss) for the year attributable to the members of National Electrical and Communications Association		<u>5,583,092</u>	<u>4,584,180</u>	<u>(49,452)</u>	<u>(162)</u>

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

National Electrical and Communications Association - National Office and its controlled entities
Consolidated statements of financial position
As at 30 June 2025

	Note	Consolidated		Parent	
		2025	2024	2025	2024
		\$	\$	\$	\$
Assets					
Current assets					
Cash and cash equivalents	14	17,679,439	11,631,568	264,615	759,267
Trade and other receivables	15	15,383,214	14,781,812	872,748	282,403
Inventories		824,352	861,045	-	-
Prepayments		1,801,945	1,184,844	373,079	60,055
Total current assets		<u>35,688,950</u>	<u>28,459,269</u>	<u>1,510,442</u>	<u>1,101,725</u>
Non-current assets					
Other investments	16	-	-	104	104
Financial assets at fair value through other comprehensive income	17	10,360,037	9,623,800	-	-
Property, plant and equipment	18	47,404,731	48,665,227	21,770	11,370
Right-of-use assets	19	2,384,490	2,057,110	51,975	-
Intangibles	20	19,458	42,734	-	-
Deferred tax		370,402	349,862	-	-
Financial assets at fair value through profit or loss	21	2,564,862	2,339,441	629,048	551,256
Total non-current assets		<u>63,103,980</u>	<u>63,078,174</u>	<u>702,897</u>	<u>562,730</u>
Total assets		<u>98,792,930</u>	<u>91,537,443</u>	<u>2,213,339</u>	<u>1,664,455</u>
Liabilities					
Current liabilities					
Trade and other payables	22	10,134,968	9,216,103	892,433	333,295
Contract liabilities	23	5,353,829	4,782,220	180,508	150,000
Borrowings	24	1,147,029	1,872,029	-	-
Lease liabilities	25	671,757	628,994	15,902	-
Income tax	13	102,877	27,251	-	-
Employee provisions	26	8,460,498	8,010,865	145,767	199,567
Total current liabilities		<u>25,870,958</u>	<u>24,537,462</u>	<u>1,234,610</u>	<u>682,862</u>
Non-current liabilities					
Contract liabilities	23	539,037	506,437	-	-
Lease liabilities	25	2,019,058	1,787,700	36,073	-
Employee provisions	26	324,276	249,335	34,213	23,698
Total non-current liabilities		<u>2,882,371</u>	<u>2,543,472</u>	<u>70,286</u>	<u>23,698</u>
Total liabilities		<u>28,753,329</u>	<u>27,080,934</u>	<u>1,304,896</u>	<u>706,560</u>
Net assets		<u>70,039,601</u>	<u>64,456,509</u>	<u>908,443</u>	<u>957,895</u>
Equity					
Reserves	27	12,461,953	11,811,421	-	-
Retained surpluses		<u>57,577,648</u>	<u>52,645,088</u>	<u>908,443</u>	<u>957,895</u>
Total equity		<u>70,039,601</u>	<u>64,456,509</u>	<u>908,443</u>	<u>957,895</u>

The above consolidated statements of financial position should be read in conjunction with the accompanying notes

National Electrical and Communications Association - National Office and its controlled entities
Consolidated statements of changes in equity
For the year ended 30 June 2025

Consolidated	Asset revaluation reserve \$	Financial asset reserve \$	Retained surpluses \$	Total equity \$
Balance at 1 July 2023	11,475,599	93,803	48,302,927	59,872,329
Surplus after income tax expense for the year	-	-	4,342,161	4,342,161
Other comprehensive income for the year, net of tax	-	242,019	-	242,019
Total comprehensive income for the year	-	242,019	4,342,161	4,584,180
Balance at 30 June 2024	<u>11,475,599</u>	<u>335,822</u>	<u>52,645,088</u>	<u>64,456,509</u>

Consolidated	Asset revaluation reserve \$	Financial asset reserve \$	Retained surpluses \$	Total equity \$
Balance at 1 July 2024	11,475,599	335,822	52,645,088	64,456,509
Surplus after income tax expense for the year	-	-	4,932,560	4,932,560
Other comprehensive income for the year, net of tax	344,727	305,805	-	650,532
Total comprehensive income for the year	344,727	305,805	4,932,560	5,583,092
Balance at 30 June 2025	<u>11,820,326</u>	<u>641,627</u>	<u>57,577,648</u>	<u>70,039,601</u>

The above consolidated statements of changes in equity should be read in conjunction with the accompanying notes

National Electrical and Communications Association - National Office and its controlled entities
Consolidated statements of changes in equity
For the year ended 30 June 2025

Parent	Reserves \$	Retained surpluses \$	Total equity \$
Balance at 1 July 2023	-	958,057	958,057
Deficit after income tax expense for the year	-	(162)	(162)
Other comprehensive income for the year, net of tax	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive loss for the year	-	(162)	(162)
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2024	<u>-</u>	<u>957,895</u>	<u>957,895</u>

Parent	Reserves \$	Retained surpluses \$	Total equity \$
Balance at 1 July 2024	-	957,895	957,895
Deficit after income tax expense for the year	-	(49,452)	(49,452)
Other comprehensive income for the year, net of tax	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive loss for the year	-	(49,452)	(49,452)
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2025	<u>-</u>	<u>908,443</u>	<u>908,443</u>

The above consolidated statements of changes in equity should be read in conjunction with the accompanying notes

National Electrical and Communications Association - National Office and its controlled entities
Consolidated statements of cash flows
For the year ended 30 June 2025

	Note	Consolidated		Parent	
		2025	2024	2025	2024
		\$	\$	\$	\$
Operating activities					
Cash received					
Receipts from customers		164,689,299	148,097,219	3,353,872	3,549,673
Receipts from other reporting units	37	2,899,992	2,739,619	114,838	67,663
Interest received		591,469	803,022	28,197	21,594
Distributions / dividends received		457,644	255,621	-	-
		<u>168,638,404</u>	<u>151,895,481</u>	<u>3,496,907</u>	<u>3,638,930</u>
Cash used					
Payment to other reporting units	37	(4,223,622)	(4,890,032)	(1,656,136)	(1,674,022)
Payments to suppliers and employees		(155,660,328)	(138,623,294)	(2,317,111)	(1,483,234)
Income taxes paid		(31,974)	(7,318)	-	-
		<u>8,722,480</u>	<u>8,374,837</u>	<u>(476,340)</u>	<u>481,674</u>
Net cash from/(used in) operating activities					
Investing activities					
Cash received					
Proceeds from disposal of property, plant and equipment		25,819	-	1,150	-
Proceeds from disposal of investments		-	-	4	-
Proceeds from intangibles		-	-	-	14,608
		<u>25,819</u>	<u>-</u>	<u>1,154</u>	<u>14,608</u>
Cash used					
Payments for investments		(430,432)	-	-	-
Payments for property, plant and equipment	18	(806,542)	(7,689,855)	(19,466)	(6,643)
Payments for intangibles	20	-	(8,626)	-	-
		<u>(1,211,155)</u>	<u>(7,698,481)</u>	<u>(18,312)</u>	<u>7,965</u>
Net cash (used in)/from investing activities					
Financing activities					
Cash used					
Repayment of related party loans	37	(725,000)	(1,336,458)	-	-
Repayment of lease liabilities		(738,454)	(585,719)	-	-
		<u>(1,463,454)</u>	<u>(1,922,177)</u>	<u>-</u>	<u>-</u>
Net cash (used in)/from financing activities					
Net increase/(decrease) in cash and cash equivalents		6,047,871	(1,245,821)	(494,652)	489,639
Cash and cash equivalents at the beginning of the financial year		<u>11,631,568</u>	<u>12,877,389</u>	<u>759,267</u>	<u>269,628</u>
Cash and cash equivalents at the end of the financial year	14	<u>17,679,439</u>	<u>11,631,568</u>	<u>264,615</u>	<u>759,267</u>

The above consolidated statements of cash flows should be read in conjunction with the accompanying notes

National Electrical and Communications Association - National Office and its controlled entities
Notes to the consolidated financial statements
30 June 2025

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National Electrical and Communications Association - National Office and its controlled entities
Notes to the consolidated financial statements
30 June 2025

Note 1. General information

The financial statements cover both National Electrical and Communications Association as an individual entity and the Group consisting of National Electrical and Communications Association and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is National Electrical and Communications Association's functional and presentation currency.

National Electrical and Communications Association is a not-for-profit incorporated association, incorporated and domiciled in Australia. Its registered office and principal place of business is:

122 Hume Highway
Chullora NSW 2190

A description of the nature of the Group's operations and its principal activities are included in the officers' report, which is not part of the financial statements.

The financial statements were authorised for issue on 5 November 2025.

Note 2. Material accounting policies

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

The Group's ability to continue as a going concern is not reliant on the agreed financial support of another reporting unit.

The Group has not agreed to provide financial support to ensure another reporting unit has the ability to continue as a going concern.

Basis of preparation

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 (RO Act). For the purpose of preparing the general purpose financial statements, the Group is a not-for profit entity.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss.

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.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's and incorporated association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of National Electrical and Communications Association ('incorporated association' or 'parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. National Electrical and Communications Association and its subsidiaries together are referred to in these financial statements as the 'Group'.

National Electrical and Communications Association - National Office and its controlled entities
Notes to the consolidated financial statements
30 June 2025

Note 2. Material accounting policies (continued)

Pursuant to section 242 of the Fair Work (Registered Organisations) Act 2009 where an organisation is divided into branches, each branch will be a reporting unit unless a certificate is issued by the General Manager stating that the organisation is, for the purpose of compliance with that Part of the Act, divided into reporting units on an alternative basis. Alternative reporting units are:

- (a) the whole of the organisation; or
- (b) a combination of 2 or more branches of the organisation.

Each Branch of an organisation must be in one, and only one, reporting unit.

All state Branches of National Electrical and Communications Association are separate reporting units. All other controlled entities are consolidated in the National Electrical and Communications Association National Office consolidation and are treated as one reporting unit.

Pursuant to section 253, as soon as practicable after the end of each financial year, a reporting unit must cause a general purpose financial report to be prepared, in accordance with the Australian Accounting Standards, from the financial records kept under subsection 252(1) in relation to the financial year. These GPFs are required to comply with Tier 1 reporting requirements of AASB 1053.

For purposes of the consolidation, the consolidated entity comprises the National Electrical and Communications Association National Office and the subsidiaries and associates of NECA National that are not otherwise required to report as separate reporting units. Refer to note 34 for the entities comprising this reporting unit.

In preparing the consolidated financial statements, all inter group balances and transactions between entities in the Group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Interests in subsidiaries are accounted for at cost, less any impairment, in the parent entity. Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

National Electrical and Communications Association - National Office and its controlled entities
Notes to the consolidated financial statements
30 June 2025

Note 2. Material accounting policies (continued)

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Apprentice hire and traineeship revenue

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Sale of products and services

Revenue from the sale of products and service is recognised at the point in time when the customer obtains control of the product or service, which is generally at the time of delivery.

Capitation fees

Where the Group's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Group recognises the capitation fees promised under that arrangement when or as it transfers to the Group.

In circumstances where the criteria for a contract with a customer are not met, the Group will recognise capitation fees as income upon receipt (as specified in the income recognition policy below).

Income of the Group as a Not-for-Profit Entity

Consideration is received by the Group to enable the entity to further its objectives. The Group recognises each of these amounts of consideration as income when the consideration is received (which is when the Group 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 Group's recognition of the cash contribution does not give rise to any related liabilities.

During the year, the Group received cash consideration from the following arrangements whereby that consideration will be recognised as income upon receipt:

- donations from members; and
- government grants.

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

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The Group 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).

National Electrical and Communications Association - National Office and its controlled entities
Notes to the consolidated financial statements
30 June 2025

Note 2. Material accounting policies (continued)

Some subsidiaries however, that fall under the control of the Group are for profit entities that are subject to income tax. The relevant tax treatments for these entities are set out below.

The income tax expense / (benefit) for the year comprises current income tax expense / (benefit) and deferred tax expense / (benefit).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities / (assets) are therefore measured at the amounts expected to be paid to / (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense / (benefit) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting year. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

For trade receivables that do not have a significant financing component, the Group 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 Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group 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.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 2. Material accounting policies (continued)

Contract assets

Contract assets are recognised when the Group has transferred goods or services to the customer but where the Group is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Investments and other financial assets

Investments and other financial assets, other than interests in subsidiaries or associates, are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

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

The Group 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 .

Property, plant and equipment

Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

National Electrical and Communications Association - National Office and its controlled entities
Notes to the consolidated financial statements
30 June 2025

Note 2. Material accounting policies (continued)

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	2-15 years
Land and buildings	40 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Contract liabilities

Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

Refund liabilities

Refund liabilities are recognised where the Group receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Group does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances. Historical data is used across product lines to estimate such returns at the time of sale based on an expected value methodology.

Note 2. Material accounting policies (continued)

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Termination benefits

Termination benefits are recognised when a detailed plan of termination has been communicated to affected employees. They are measured as short-term employee benefits when expected to be settled wholly within 12 months of the reporting date or as long-term benefits when not expected to be settled within 12 months of the reporting date.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on 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; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

National Electrical and Communications Association - National Office and its controlled entities
Notes to the consolidated financial statements
30 June 2025

Note 2. Material accounting policies (continued)

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2025. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

The accounting policies that are material to the Group are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Note 3. Critical accounting judgements, estimates and assumptions

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.

Revaluation of land buildings

The Group's land and buildings are valued in accordance to the group valuation policy. It carries its land and buildings at revalued amounts, with changes in fair value being recognised in the statement of comprehensive income. Land and buildings were valued by reference to transactions involving properties of a similar nature, location and condition. The Group engaged an independent valuation specialist to assess the fair values of properties in NSW as at 30 June 2023 and properties in Victoria were revalued during the current financial year.

The key assumptions used to determine the fair value of the properties and sensitivity analyses are provided in note 18 and note 29.

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.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 4. Revenue

Disaggregation of revenue from contracts with customers

A disaggregation of NECA'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.

Type of customer

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Other reporting units	1,661,116	1,540,438	1,661,116	1,540,438
Other parties	141,683,730	127,228,440	-	-
Total revenue from contracts with customers	<u>143,344,846</u>	<u>128,768,878</u>	<u>1,661,116</u>	<u>1,540,438</u>

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Major product lines</i>				
Sale of products	6,496,582	5,919,434	-	-
Apprenticeship and traineeship	125,600,934	113,351,322	-	-
Services	<u>11,247,330</u>	<u>9,498,122</u>	<u>1,661,116</u>	<u>1,540,438</u>
	<u>143,344,846</u>	<u>128,768,878</u>	<u>1,661,116</u>	<u>1,540,438</u>
<i>Timing of revenue recognition</i>				
Goods transferred at a point in time	6,496,582	5,919,434	-	-
Services transferred over time:	<u>136,848,264</u>	<u>122,849,444</u>	<u>1,661,116</u>	<u>1,540,438</u>
	<u>143,344,846</u>	<u>128,768,878</u>	<u>1,661,116</u>	<u>1,540,438</u>

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Note 4. Revenue (continued)

(a) *Capitation fees from another reporting unit*

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
NECA - New South Wales branch	627,311	570,165	627,311	570,165
NECA - Victorian branch	373,239	373,757	373,239	373,757
NECA - Queensland branch	130,213	107,926	130,213	107,926
NECA - Western Australian branch	318,991	302,573	318,991	302,573
NECA - South Australia/Northern Territory branch	117,374	111,114	117,374	111,114
NECA - Australian Capital Territory branch	49,855	43,871	49,855	43,871
NECA - Tasmanian branch	44,133	31,032	44,133	31,032
Total capitation fees	<u>1,661,116</u>	<u>1,540,438</u>	<u>1,661,116</u>	<u>1,540,438</u>

Note 5. Other income

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Net loss on disposal of property, plant and equipment</i>				
Plant and equipment	(24,418)	(291,629)	-	-
<i>Investment income</i>				
Interest				
- Deposits	591,469	697,173	28,197	22,774
Managed investment schemes				
- Distributions / dividends	457,644	255,621	-	-
- Net gain on revaluation of financial instruments	182,281	117,809	-	-
Total investment income	<u>1,231,394</u>	<u>1,070,603</u>	<u>28,197</u>	<u>22,774</u>
<i>Other income</i>				
Management fee income	570,950	463,853	929,309	791,186
Other income	1,811,794	1,431,626	1,272,010	762,327
Total other income	<u>2,382,744</u>	<u>1,895,479</u>	<u>2,201,319</u>	<u>1,553,513</u>

Note 6. Employee expenses

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Employees other than office holders</i>				
Wages and salaries	107,486,303	95,752,965	1,706,764	1,378,512
Superannuation	10,820,426	9,326,160	193,740	151,497
Leave and other entitlements	3,989,245	4,047,889	(43,285)	71,056
Separation and redundancies	409,415	410,728	-	-
Other employee expenses	1,742,702	1,898,171	106,270	102,873
Total employee expenses - employees other than office holders	<u>124,448,091</u>	<u>111,435,913</u>	<u>1,963,489</u>	<u>1,703,938</u>
Total employee expenses	<u>124,448,091</u>	<u>111,435,913</u>	<u>1,963,489</u>	<u>1,703,938</u>

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Note 7. Affiliation and subscription expenses

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Affiliation fees</i>				
Australian Chamber of Commerce & Industry	25,000	24,500	25,000	24,500
Subscriptions	274,051	325,836	4,620	6,036
Total affiliation and subscription expenses	<u>299,051</u>	<u>350,336</u>	<u>29,620</u>	<u>30,536</u>

Note 8. Administration expenses

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Conference and meeting expenses	(8,883)	(9,119)	4,161	4,375
Contractors / consultants	2,088,681	1,615,373	233,636	179,892
Directors remuneration	203,103	184,270	-	-
Property expenses	1,589,285	1,325,294	6,785	6,462
Office expenses	1,122,052	815,897	23,721	22,694
Information communications technology	1,250,504	978,960	28,058	18,261
Management fees	153,887	185,203	-	-
Motor vehicle expenses	343,195	331,542	2,569	155
Travel and accommodation	418,485	355,823	185,032	127,622
Other expenses	1,077,557	1,025,162	(15,921)	(592)
Subtotal administration expense	<u>8,237,866</u>	<u>6,808,405</u>	<u>468,041</u>	<u>358,869</u>
<i>Operating lease rentals</i>				
Short-term lease payments	314,298	237,121	18,585	17,701
Total administration expenses	<u>8,552,164</u>	<u>7,045,526</u>	<u>486,626</u>	<u>376,570</u>

Note 9. Depreciation and amortisation

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Depreciation</i>				
Buildings	671,124	671,126	-	-
Plant and equipment	1,713,410	1,686,060	7,916	12,233
Right-of-use assets	681,705	696,642	-	-
Total depreciation	<u>3,066,239</u>	<u>3,053,828</u>	<u>7,916</u>	<u>12,233</u>
<i>Amortisation</i>				
Software	23,276	38,914	-	14,608
Total amortisation	<u>23,276</u>	<u>38,914</u>	<u>-</u>	<u>14,608</u>
Total depreciation and amortisation	<u>3,089,515</u>	<u>3,092,742</u>	<u>7,916</u>	<u>26,841</u>

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Note 10. Finance costs

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Overdrafts / loans	70,814	238,158	-	-
Unwinding of discount - right-of-use assets	39,375	91,074	-	-
Total finance costs	<u>110,189</u>	<u>329,232</u>	<u>-</u>	<u>-</u>

Note 11. Legal costs

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Other legal matters	<u>86,228</u>	<u>208,489</u>	<u>13,170</u>	<u>40,861</u>

Note 12. Other expenses

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Apprentice costs (other than salaries)	1,185,479	888,218	-	-
Training	2,132,848	2,717,274	-	-
Insurance	706,704	574,953	-	-
Advertising and promotion	2,852,340	2,851,271	1,375,750	904,922
(Reversal of) / bad debts expense	(42,411)	(512,096)	(1,307)	(5,275)
Debt recovery costs	(2,267)	29,865	-	-
Donations to Political Parties	6,120	-	6,120	-
Total other expenses	<u>6,838,813</u>	<u>6,549,485</u>	<u>1,380,563</u>	<u>899,647</u>

Note 13. Income tax

Australian Cabler Registration Pty Ltd, NECA Legal Pty Ltd, Constructive Legal Solutions Pty Ltd and NECA Trade Services Pty Ltd are the only tax paying entities within the Group. The income tax expense for the consolidated group is calculated as follows:

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Note 13. Income tax (continued)

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Income tax expense</i>				
Current tax	87,061	23,689	-	-
Aggregate income tax expense	<u>87,061</u>	<u>23,689</u>	<u>-</u>	<u>-</u>
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>				
Surplus/(deficit) before income tax expense	5,019,621	4,365,850	(49,452)	(162)
Tax at the statutory tax rate of 30%	1,505,886	1,309,755	(14,836)	(49)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:				
Non-taxable income	(1,418,825)	(1,286,066)	14,836	49
Income tax expense	<u>87,061</u>	<u>23,689</u>	<u>-</u>	<u>-</u>
	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Provision for income tax</i>				
Provision for income tax	<u>102,877</u>	<u>27,251</u>	<u>-</u>	<u>-</u>

Note 14. Cash and cash equivalents

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Current assets</i>				
Cash on hand	1,868	3,807	-	-
Cash at bank	10,824,575	8,835,680	214,357	711,623
Cash on deposit	6,852,996	2,792,081	50,258	47,644
	<u>17,679,439</u>	<u>11,631,568</u>	<u>264,615</u>	<u>759,267</u>

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Note 15. Trade and other receivables

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Receivables from other reporting units</i>				
NECA - New South Wales Branch	57,211	116,275	35,580	99,831
NECA - Queensland Branch	9,167	11,964	-	11,964
NECA - Australian Capital Territory Branch	3,476	6,155	-	6,155
NECA - Tasmanian Branch	-	2,286	-	-
Total receivables from other reporting units	69,854	136,680	35,580	117,950
<i>Other receivables</i>				
Trade receivables	13,226,036	13,538,273	802,105	165,760
Contract assets	2,092,692	1,740,919	-	-
Other trade receivables	1,124,317	581,819	35,063	-
Total other receivables	16,443,045	15,861,011	837,168	165,760
Less - allowance for expected credit losses	(1,129,685)	(1,215,879)	-	(1,307)
Total trade and other receivables (net)	15,383,214	14,781,812	872,748	282,403

Allowance for expected credit losses

The Group has recognised a gain of \$42,411 (2024: gain of \$475,621) in profit or loss in respect of the expected credit losses for the year ended 30 June 2025.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

Consolidated	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2025	2024	2025	2024	2025	2024
	%	%	\$	\$	\$	\$
Less than 30 days	3.98%	12.75%	8,012,915	7,302,688	318,600	930,962
30-60 days	1.92%	1.00%	3,186,652	3,754,175	61,293	37,471
61-90 days	1.03%	1.06%	617,867	569,301	6,378	6,024
Greater than 90 days	50.28%	11.78%	1,478,456	2,048,789	743,414	241,422
			13,295,890	13,674,953	1,129,685	1,215,879

Parent	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2025	2024	2025	2024	2025	2024
	%	%	\$	\$	\$	\$
Less than 30 days	-	0.20%	506,626	254,267	-	497
30-60 days	-	-	-	-	-	-
61-90 days	-	-	-	-	-	26
Greater than 90 days	-	2.66%	331,059	29,443	-	784
			837,685	283,710	-	1,307

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Note 15. Trade and other receivables (continued)

Movements in the allowance for expected credit losses are as follows:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Opening balance	1,215,879	1,696,655	1,307	6,582
Increase / (decrease) in provision recognised in the statement of comprehensive income	(42,411)	(475,621)	(1,307)	(5,275)
Receivables written off during the year as uncollectable	(43,783)	(5,155)	-	-
Closing balance	<u>1,129,685</u>	<u>1,215,879</u>	<u>-</u>	<u>1,307</u>

Note 16. Other investments

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
NECA Legal Pty Ltd	-	-	100	100
ECA Training Pty Ltd	-	-	2	2
Australian Cabler Registration Service Pty Ltd	-	-	2	2
	<u>-</u>	<u>-</u>	<u>104</u>	<u>104</u>

Note 17. Financial assets at fair value through other comprehensive income

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Non-current assets</i>				
Managed investments	<u>10,360,037</u>	<u>9,623,800</u>	<u>-</u>	<u>-</u>

Refer to note 29 for further information on fair value measurement.

Note 18. Property, plant and equipment

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Non-current assets</i>				
Land - at fair value	14,479,712	14,979,712	-	-
Buildings - at independent valuation	23,650,060	23,200,060	-	-
Less: Accumulated depreciation	(1,115,076)	(838,679)	-	-
	<u>22,534,984</u>	<u>22,361,381</u>	<u>-</u>	<u>-</u>
Plant and equipment - at cost	18,396,273	17,724,137	169,020	153,450
Less: Accumulated depreciation	(8,006,238)	(6,400,003)	(147,250)	(142,080)
	<u>10,390,035</u>	<u>11,324,134</u>	<u>21,770</u>	<u>11,370</u>
	<u>47,404,731</u>	<u>48,665,227</u>	<u>21,770</u>	<u>11,370</u>

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Note 18. Property, plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Land \$	Buildings \$	Plant and equipment \$	Total \$
Balance at 1 July 2023	8,279,712	23,032,507	12,020,339	43,332,558
Additions	6,700,000	-	989,855	7,689,855
Depreciation expense	-	(671,126)	(1,686,060)	(2,357,186)
Balance at 30 June 2024	14,979,712	22,361,381	11,324,134	48,665,227
Additions	-	-	805,130	805,130
Disposals	-	-	(25,819)	(25,819)
Revaluation increments	(500,000)	844,727	-	344,727
Depreciation expense	-	(671,124)	(1,713,410)	(2,384,534)
Balance at 30 June 2025	<u>14,479,712</u>	<u>22,534,984</u>	<u>10,390,035</u>	<u>47,404,731</u>
			Plant and equipment \$	
Parent				
Balance at 1 July 2023				16,960
Additions				6,643
Depreciation expense				(12,233)
Balance at 30 June 2024				11,370
Additions				19,466
Disposals				(1,150)
Depreciation expense				(7,916)
Balance at 30 June 2025				<u>21,770</u>

Valuations of land and buildings

Land and building at 122 Hume Highway, Chullora NSW 2190 and 49 Tennant Street, Fyshwick ACT 2609 were valued by a third party valuer, Curtis Valuations, as at 30 June 2023. Land and Building at 1024 Lygon Street, Carlton North VIC 3054 was valued by a third party valuer, Charter Keck Cramer on 16 July 2025.

Valuations are carried out on the basis of and in accordance with Australian Accounting Standards AASB 13 Fair Value Measurement and AASB 116 Property, Plant & Equipment by adopting a direct comparison approach and capitalisation method.

The Group has a set policy for regular valuation of freehold land and buildings at least once every three to five financial years.

Refer to note 29 for further information on fair value measurement.

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Note 19. Right-of-use assets

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Non-current assets</i>				
Land and buildings - right-of-use	3,158,260	2,688,282	51,975	-
Less: Accumulated depreciation	(1,014,631)	(932,462)	-	-
	<u>2,143,629</u>	<u>1,755,820</u>	<u>51,975</u>	<u>-</u>
Motor vehicles - right-of-use	200,533	294,622	-	-
Less: Accumulated depreciation	(188,515)	(280,917)	-	-
	<u>12,018</u>	<u>13,705</u>	<u>-</u>	<u>-</u>
Office equipment - right-of-use	537,264	501,404	-	-
Less: Accumulated depreciation	(308,421)	(213,819)	-	-
	<u>228,843</u>	<u>287,585</u>	<u>-</u>	<u>-</u>
	<u><u>2,384,490</u></u>	<u><u>2,057,110</u></u>	<u><u>51,975</u></u>	<u><u>-</u></u>

The Group leases land and buildings for its offices under agreements of between one to five years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

The Group also leases motor vehicles and plant and equipment under agreements of between two to five years.

The Group leases office equipment under agreements of less than ten years. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Land and buildings \$	Motor vehicles \$	Office equipment \$	Total \$
Balance at 1 July 2023	1,293,995	77,860	387,163	1,759,018
Additions	964,776	-	20,755	985,531
Adjustments	5,276	-	3,927	9,203
Depreciation expense	(508,227)	(64,155)	(124,260)	(696,642)
Balance at 30 June 2024	<u>1,755,820</u>	<u>13,705</u>	<u>287,585</u>	<u>2,057,110</u>
Additions	900,296	42,834	69,445	1,012,575
Adjustments	(1,250)	-	(2,240)	(3,490)
Depreciation expense	(511,237)	(44,521)	(125,947)	(681,705)
Balance at 30 June 2025	<u><u>2,143,629</u></u>	<u><u>12,018</u></u>	<u><u>228,843</u></u>	<u><u>2,384,490</u></u>

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Note 19. Right-of-use assets (continued)

	Land and buildings \$
Parent	
Balance at 1 July 2023	-
Balance at 30 June 2024	-
Additions	51,975
Depreciation expense	-
Balance at 30 June 2025	<u>51,975</u>

Note 20. Intangibles

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Non-current assets</i>				
Software - at cost	235,971	235,971	30,000	30,000
Less: Accumulated amortisation	(216,513)	(193,237)	(30,000)	(30,000)
	<u>19,458</u>	<u>42,734</u>	<u>-</u>	<u>-</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Software \$
Consolidated	
Balance at 1 July 2023	73,022
Additions	8,626
Amortisation expense	(38,914)
Balance at 30 June 2024	42,734
Amortisation expense	(23,276)
Balance at 30 June 2025	<u>19,458</u>
Parent	
Balance at 1 July 2023	14,608
Amortisation expense	(14,608)
Balance at 30 June 2024	-
Additions	-
Amortisation expense	-
Balance at 30 June 2025	<u>-</u>

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Note 21. Financial assets at fair value through profit or loss

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Non-current assets</i>				
Managed investments	2,564,862	2,339,441	629,048	551,256

Refer to note 29 for further information on fair value measurement.

Note 22. Trade and other payables

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Current liabilities</i>				
Trade creditors and accruals	5,852,834	4,453,784	576,161	134,540
Wages and salaries	1,862,881	2,263,070	47,233	93,408
GST payable	1,128,815	973,468	67,076	69,788
Superannuation	943,625	791,013	16,337	17,078
Payables to other reporting units (refer to note 33)	146,153	318,880	49,920	19,898
Other payables	200,660	415,888	135,706	(1,417)
	10,134,968	9,216,103	892,433	333,295

Refer to note 28 for further information on financial instruments.

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Trade payables</i>				
Trade creditors and accruals	5,852,834	4,453,784	576,161	134,540
Subtotal trade creditors	5,852,834	4,453,784	576,161	134,540
<i>Payables to other reporting units</i>				
NECA - New South Wales Branch	108,005	209,672	-	-
NECA - Queensland Branch	15,785	37,223	14,838	-
NECA - Australian Capital Territory Branch	22,363	10,847	16,500	-
NECA - Tasmanian Branch	-	61,138	18,582	19,898
Total payables to other reporting units	146,153	318,880	49,920	19,898
Total trade payables	5,998,987	4,772,664	626,081	154,438

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Other payables</i>				
Wages and salaries	1,862,881	2,263,070	47,233	93,408
Superannuation	943,625	791,013	16,337	17,078
GST payable	1,128,815	973,468	67,076	69,788
Other payables	200,660	415,888	135,706	(1,417)
Total other payables	4,135,981	4,443,439	266,352	178,857

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Note 23. Contract liabilities

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Current liabilities</i>				
Income in advance	5,353,829	4,782,220	180,508	150,000
<i>Non-current liabilities</i>				
Income in advance	539,037	506,437	-	-
	<u>5,892,866</u>	<u>5,288,657</u>	<u>180,508</u>	<u>150,000</u>

Reconciliation

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

Opening balance	5,288,657	3,708,996	150,000	43,546
Payments received in advance	10,513,598	15,383,143	2,843,929	3,317,920
Transfer to revenue - included in the opening balance	(5,288,656)	(3,708,996)	(149,999)	-
Transfer to revenue - performance obligations satisfied in current periods	(4,620,733)	(10,094,486)	(2,663,422)	(3,211,466)
Closing balance	<u>5,892,866</u>	<u>5,288,657</u>	<u>180,508</u>	<u>150,000</u>

Note 24. Borrowings

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Current liabilities</i>				
Related party loans	1,147,029	1,872,029	-	-

Refer to note 28 for further information on financial instruments.

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Total facilities				
Bank overdraft	1,000,000	1,000,000	-	-
Used at the reporting date				
Bank overdraft	-	-	-	-
Unused at the reporting date				
Bank overdraft	1,000,000	1,000,000	-	-

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Note 25. Lease liabilities

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Current liabilities</i>				
Lease liability	671,757	628,994	15,902	-
<i>Non-current liabilities</i>				
Lease liability	2,019,058	1,787,700	36,073	-
	<u>2,690,815</u>	<u>2,416,694</u>	<u>51,975</u>	<u>-</u>

Refer to note 28 for further information on financial instruments.

Note 26. Employee provisions

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Office holders</i>				
Annual leave	-	-	-	-
Long service leave	-	-	-	-
<i>Total employee provisions - office holders</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Employees other than office holders</i>				
Annual leave	5,744,349	5,575,343	107,229	121,750
Long service leave	1,232,865	1,000,417	72,751	101,515
Other	1,807,560	1,684,440	-	-
<i>Total employee provisions - employees other than office holders</i>	<u>8,784,774</u>	<u>8,260,200</u>	<u>179,980</u>	<u>223,265</u>
Total employee provisions	<u>8,784,774</u>	<u>8,260,200</u>	<u>179,980</u>	<u>223,265</u>
Current	8,460,498	8,010,865	145,767	199,567
Non-current	324,276	249,335	34,213	23,698
Total employee provisions	<u>8,784,774</u>	<u>8,260,200</u>	<u>179,980</u>	<u>223,265</u>

Note 27. Reserves

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Land and building asset revaluation reserve	11,820,326	11,475,599	-	-
Financial asset revaluation reserve	641,627	335,822	-	-
	<u>12,461,953</u>	<u>11,811,421</u>	<u>-</u>	<u>-</u>

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Note 27. Reserves (continued)

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Land and building asset revaluation \$	Financial asset revaluation \$	Total \$
Balance at 1 July 2023	11,475,599	93,803	11,569,402
Revaluation - gross	-	242,019	242,019
Balance at 30 June 2024	11,475,599	335,822	11,811,421
Revaluation - gross	344,727	305,805	650,532
Balance at 30 June 2025	<u>11,820,326</u>	<u>641,627</u>	<u>12,461,953</u>

Note 28. Financial instruments

Financial risk management objectives

The main risks the Group 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 Group's financial instruments consist mainly of deposits with banks, local money market instruments, short term investments, accounts receivable and payable, contract assets and liabilities, bank loans and overdrafts, and loans to and from related parties.

The Committee of Management has overall responsibility for the establishment of the Group'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 Group's activities.

The day to day risk management is carried out at an individual chapter/subsidiary level under policies and objectives which have been approved by the Committee of Management. Each 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 Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Market risk

Foreign currency risk

The Group is not exposed to significant foreign currency risk.

Price risk

A large proportion of the financial instrument investments held by the Group are exposed to other price risk as a result of the Group's exposure to equity securities (those indirectly held investments at available for sale via the Company's investment account which are either held in domestic listed and unlisted shares or in managed investment schemes). Other price risk is the risk that the fair value or future cash flows of a financial investment may fluctuate because of the changes in market prices. The exposure to other price risk has a direct impact on the Statement of Comprehensive Income and Statement of Financial Position of the Association.

There is a fundamental financial relationship between risk and return. The investments are diversified across different risk profiles in return for commensurate returns in accordance with Macquarie's strategic asset allocation policy, meaning that the other price risk exposure is understood.

Note 28. Financial instruments (continued)

Whilst equity markets are inherently volatile and not suitable for short-term investment, over the long-term, equity investments have proven to be a good source of inflation protection, through the achievement of high returns in real terms. To manage the price risk, the investment portfolio is diversified in accordance with asset class limits (in accordance with Macquarie's strategic asset allocation policy).

The table below summarises the impact of increases/decreases of the abovementioned investment exposures on the Group's post tax profit for the year and on equity. The analysis is based on the assumption that the respective price indexes for the different asset classes may increase/decrease by the determined volatility factor with all other variables held constant and the financial instruments moving in accordance to the historical correlation with the indexes that the investments are exposed to.

Taking into account past performance, future expectations, economic forecasts, and the Group's management's knowledge and experience of the financial markets, the impact on profit or loss and the impact on equity in the table below are 'reasonably possible' over the next 12 months if other price risk changes by the following volatility factors from the target benchmarks with all other variables, especially foreign exchange rates, held constant.

Consolidated - 2025	% change	Average price increase		Average price decrease		
		Effect on profit before tax and other comprehensive income	Effect on equity	Effect on profit before tax and other comprehensive income	Effect on equity	
Price rate risk	5.00%	<u>646,245</u>	<u>646,245</u>	(5.00%)	<u>(646,245)</u>	<u>(646,245)</u>

Consolidated - 2024	% change	Average price increase		Average price decrease		
		Effect on profit before tax and other comprehensive income	Effect on equity	Effect on profit before tax and other comprehensive income	Effect on equity	
Price rate risk	5.00%	<u>598,162</u>	<u>598,162</u>	(5.00%)	<u>(598,462)</u>	<u>(598,462)</u>

Parent - 2025	% change	Average price increase		Average price decrease		
		Effect on profit before tax and other comprehensive income	Effect on equity	Effect on profit before tax and other comprehensive income	Effect on equity	
Price rate risk	5.00%	<u>31,452</u>	<u>31,452</u>	(5.00%)	<u>(31,452)</u>	<u>(31,452)</u>

Parent - 2024	% change	Average price increase		Average price decrease		
		Effect on profit before tax and other comprehensive income	Effect on equity	Effect on profit before tax and other comprehensive income	Effect on equity	
Price rate risk	5.00%	<u>27,563</u>	<u>27,563</u>	(5.00%)	<u>(27,563)</u>	<u>(27,563)</u>

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 Group is affected by interest rate risk due to its directly held cash balances. The Group does not have any floating rate debt instruments for both 2025 and 2024. The exposure to interest rate risk has a direct impact on the Statement of Comprehensive Income and Statement of Financial Position of the Group.

Note 28. Financial instruments (continued)

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.

It would normally be expected that floating rate cash instruments have a direct exposure to interest rate risk. However, because the cash investments in the Group's investment accounts are in the nature of a pooled investment scheme, it is the unit price of the scheme which reflects the value of the financial investment. On this basis, the sensitivity of changes to the unit price for these instrument investments is included in the 'Price Risk' section.

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 Group'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.

	Basis points increase			Basis points decrease		
	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
Consolidated - 2025						
Interest rate risk	2	<u>11,829</u>	<u>11,829</u>	(2)	<u>(11,829)</u>	<u>(11,829)</u>
Consolidated - 2024						
Interest rate risk	2	<u>46,789</u>	<u>46,789</u>	(2)	<u>(46,789)</u>	<u>(46,789)</u>
Parent - 2025						
Interest rate risk	2	<u>-</u>	<u>-</u>	(2)	<u>-</u>	<u>-</u>
Parent - 2024						
Interest rate risk	2	<u>11,025</u>	<u>11,025</u>	(2)	<u>(11,025)</u>	<u>(11,025)</u>

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 Association and arises principally from the Group's receivables.

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 Group 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 15.

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Note 28. Financial instruments (continued)

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 15.

The Group's maximum exposure to credit risk for the components of the statement of financial position at 30 June 2025 and 2024 is the carrying amounts as illustrated in note 15.

Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group 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 Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days.

Financing arrangements

Unused borrowing facilities at the reporting date:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Bank overdraft	1,000,000	1,000,000	-	-

Remaining contractual maturities

The following tables detail the Group's and incorporated association's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Consolidated - 2025						
Non-derivatives						
Non-interest bearing						
Trade creditors	-	5,852,834	-	-	-	5,852,834
Payables to other reporting units	-	146,153	-	-	-	146,153
Other payables	-	4,135,981	-	-	-	4,135,981
Interest-bearing - variable						
Lease liability	8.37%	671,757	2,019,058	-	-	2,690,815
Related party loans	8.77%	1,147,029	-	-	-	1,147,029
	-	-	-	-	-	-
Total non-derivatives		11,953,754	2,019,058	-	-	13,972,812

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Note 28. Financial instruments (continued)

Consolidated - 2024	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade creditors	-	4,453,784	-	-	-	4,453,784
Other payables	-	4,762,319	-	-	-	4,762,319
<i>Interest-bearing - variable</i>						
Lease liability	7.80%	628,994	1,787,700	-	-	2,416,694
Related party loans	8.27%	1,872,029	-	-	-	1,872,029
Total non-derivatives		11,717,126	1,787,700	-	-	13,504,826

Parent - 2025	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade creditors	-	576,161	-	-	-	576,161
Payables to other reporting units	-	49,920	-	-	-	49,920
Other payables	-	178,397	-	-	-	178,397
Total non-derivatives		804,478	-	-	-	804,478

Parent - 2024	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade creditors	-	134,540	-	-	-	134,540
Payables to other reporting units	-	19,898	-	-	-	19,898
Other payables	-	198,755	-	-	-	198,755
Total non-derivatives		353,193	-	-	-	353,193

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

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Note 29. Fair value measurement

Fair value hierarchy

The following tables detail the Group's and incorporated association's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Consolidated - 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<i>Assets</i>				
Other current assets	12,924,899	-	-	12,924,899
Land and building	-	37,014,696	-	37,014,696
Total assets	12,924,899	37,014,696	-	49,939,595

Consolidated - 2024	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<i>Assets</i>				
Other current assets	11,963,241	-	-	11,963,241
Land and building	-	37,341,093	-	37,341,093
Total assets	11,963,241	37,341,093	-	49,304,334

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

Valuation techniques for fair value measurements categorised within level 2 and level 3

The basis of the valuation of land and buildings is fair value. The land and buildings in NSW were last revalued on 30 June 2023 and land and buildings in Victoria were revalued during the current financial year based on independent assessments by a valuation expert having recent experience in the location and category of land and buildings being valued. The directors do not believe that there has been a material movement in fair value since the revaluation date. Valuations are based on current prices for similar properties in the same location and condition.

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Note 30. Key management personnel disclosures

Compensation

The aggregate compensation made to officers and other members of key management personnel of the Group is set out below:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Short-term employee benefits</i>				
Salary (including annual leave taken)	1,281,532	979,035	356,526	293,785
Annual leave accrued	104,422	70,558	22,241	30,282
Directors' remuneration	204,618	167,434	-	-
Total short-term employee benefits	<u>1,590,572</u>	<u>1,217,027</u>	<u>378,767</u>	<u>324,067</u>
<i>Post-employment benefits</i>				
Superannuation	159,584	122,220	41,000	32,316
<i>Other long-term benefits</i>				
Long-service leave	108,600	63,734	14,268	16,699
Aggregate compensation	<u>1,858,756</u>	<u>1,402,981</u>	<u>434,035</u>	<u>373,082</u>

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

Note 31. Remuneration of auditors

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Crowe Audit Australia</i>				
Audit of the financial statements	113,700	103,000	28,500	27,000
Other services	77,749	20,000	30,200	11,494
	<u>191,449</u>	<u>123,000</u>	<u>58,700</u>	<u>38,494</u>
<i>Stannards Accountants</i>				
Audit of the financial statements	1,000	4,200	-	-
<i>McLean Delmo Bentleys</i>				
Audit of the financial statements	29,500	29,900	-	-
Other services	5,500	19,203	-	-
	<u>35,000</u>	<u>49,103</u>	<u>-</u>	<u>-</u>
	<u>227,449</u>	<u>176,303</u>	<u>58,700</u>	<u>38,494</u>

The auditor of the Group is Crowe Audit Australia. The fees are stated net of GST. Unless otherwise stated Crowe Audit Australia is the auditor.

Other services provided by the auditors related to tax compliance and consulting services in relation to consolidation of accounts.

Component auditors of subsidiaries

Stannards Accountants completed the audit of Constructive Legal Solutions Pty Ltd.

McLean Delmo Bentleys completed the audit of NECA Education and Careers Limited for the financial year ended 30 June 2025.

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Note 32. Contingent liabilities, assets and commitments

There are no other material commitments and or contingencies to report at balance date.

Note 33. Related party transactions

Parent entity

National Electrical and Communications Association is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 34.

Associates

Interests in associates are set out in note 35.

Joint ventures

Interests in joint ventures are set out in note 36.

Key management personnel

Disclosures relating to key management personnel are set out in note 30.

Transactions with related parties

The following transactions occurred with related parties:

Revenue received from other reporting units

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Capitation fees</i>				
Capitation fees received from other reporting units (please refer to note 4(a) for details of each reporting units)	<u>1,661,116</u>	<u>1,540,438</u>	<u>1,661,116</u>	<u>1,540,438</u>
Other revenue / income				
NECA - New South Wales branch	2,399,734	2,451,962	71,393	16,065
NECA - Queensland branch	90,093	56,841	41,873	-
NECA - Australian Capital Territory branch	48,905	7,041	23,739	2,012
NECA - Tasmanian branch	127,577	121,725	44,936	25,020
Total other revenue / income	<u>2,666,309</u>	<u>2,637,569</u>	<u>181,941</u>	<u>43,097</u>
Total revenue received from other reporting units	<u><u>4,327,425</u></u>	<u><u>4,178,007</u></u>	<u><u>1,843,057</u></u>	<u><u>1,583,535</u></u>

Expenses paid to related parties

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Expenses				
NECA - New South Wales branch	1,610,034	1,716,093	943,984	907,839
NECA - Queensland branch	820,026	672,525	277,193	212,198
NECA - Australian Capital Territory branch	799,160	973,241	108,590	74,237
NECA - Tasmanian branch	719,483	690,632	142,439	70,286
Total expenses paid to related parties	<u><u>3,948,703</u></u>	<u><u>4,052,491</u></u>	<u><u>1,472,206</u></u>	<u><u>1,264,560</u></u>

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Note 33. Related party transactions (continued)

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Receivables from other reporting units</i>				
NECA - New South Wales branch	57,211	116,275	35,580	99,831
NECA - Queensland branch	9,167	11,964	-	11,964
NECA - Australian Capital Territory branch	3,476	6,155	-	6,155
NECA - Tasmanian branch	-	2,286	-	-
Total receivables from other reporting units	<u>69,854</u>	<u>136,680</u>	<u>35,580</u>	<u>117,950</u>
<i>Payables to other reporting units</i>				
NECA - New South Wales branch	108,005	209,672	-	-
NECA - Australian Capital Territory branch	22,363	10,847	16,500	-
NECA - Tasmanian branch	-	61,138	18,582	19,898
NECA - Queensland Branch	15,785	37,223	14,838	-
Total payables to other reporting units	<u>146,153</u>	<u>318,880</u>	<u>49,920</u>	<u>19,898</u>

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

Loans from NECA NSW

	2025	Consolidated		2022
		2024	2023	
	\$	\$	\$	\$
<i>Related party loans - non-current</i>				
NECA Legal Pty Ltd	-	-	151,458	147,458
NECA Training Ltd	386,110	386,110	386,110	386,110
NECA Trade Services Pty Ltd	520,919	795,919	880,919	960,919
ECA Training Pty Ltd	-	450,000	1,550,000	-
	<u>907,029</u>	<u>1,632,029</u>	<u>2,968,487</u>	<u>1,494,487</u>
Loans from NECA VIC				
CLS	<u>240,000</u>	<u>240,000</u>	<u>240,000</u>	<u>-</u>
Total related party loans	<u>1,147,029</u>	<u>1,872,029</u>	<u>3,208,487</u>	<u>1,494,487</u>

Terms and conditions

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 2025, the Group has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2024: \$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.

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Note 34. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2025 %	2024 %
Subsidiaries:			
Australian Cabler Registration Service Pty Ltd (a)	Australia	100%	100%
NECA Education and Careers Limited (b)	Australia	100%	100%
ECA Training Pty Ltd (a)	Australia	100%	100%
NECA Training Ltd (a)	Australia	100%	100%
NECA Legal Pty Ltd (a)	Australia	100%	100%
NECA Trade Services Pty Ltd (c)	Australia	100%	100%
NECA Foundation Limited (d)	Australia	100%	100%
Constructive Legal Solutions Pty Ltd (a)	Australia	100%	100%

- (a) Entities have been consolidated as National Electrical and Communications Association National Office is the sole shareholder and has majority at the board, and therefore the Group controls these entities.
- (b) NECA Education and Careers Ltd is a Group controlled entity for the purposes of the parent entity separate and consolidated group financial reports. The Group is the sole member of NECA Education and Careers Ltd and has the power to govern its financial and reporting policies. The constitution for NECA Education and Careers Ltd specifically prohibits any member from sharing in either the net income or net assets of the organisation even on wind up. This is standard wording designed to ensure that NECA Education and Careers Ltd is entitled to enjoy income tax exemption status. Consequently, unless the constitution of NECA Education and Careers Ltd is changed and the company's tax status rescinded, at no time now or in the future will the Group be entitled to share in the financial performance of NECA Education and Careers Ltd in the usual parent / subsidiary relationship.
- (c) NECA Trade Services Pty Ltd has been consolidated as National Electrical and Communications Association New South Wales Branch is the sole shareholder and has majority at the board, and therefore controls NECA Trade Services Pty Ltd.
- (d) NECA Foundation Limited is a trustee company of NECA Foundation. NECA Foundation was established to fundraise, invest and allocate monies for education and research that benefits and advances the interests of the community including the electrotechnology industry.

The following NECA Branches are deemed to be their own reporting units under the RO Act. Hence, these Branches are not consolidated into the NECA Group.

NECA - New South Wales branch
NECA - Victorian branch
NECA - Queensland branch
NECA - Western Australian branch
NECA - South Australia/Northern Territory branch
NECA - Australian Capital Territory branch
NECA - Tasmanian branch

Note 35. Interests in associates

The following disclosures relate to entities not equity accounted for by the NECA Branches. This detail is provided for a full understanding of the NECA structure:

Information relating to associates that are material to the NECA Branches are set out below:

Table - Ownership interest held by NECA Branches

National Electrical and Communications Association - National Office and its controlled entities
Notes to the consolidated financial statements
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Note 35. Interests in associates (continued)

Name	Principal place of business / Country of incorporation	Ownership interest	
		2025 %	2024 %
Protect Services Pty Ltd *	Australia	25%	25%
MERT Pty Ltd **	Australia	20%	20%

* Protect Services Pty Ltd is a company incorporated in Australia, NECA Victoria owns 25% (2024: 25%) of that company which is a trustee of Protect Services Trust ("PST"). PST collects premiums for a designated insurer in its capacity as administrator. NECA Victoria has a 25% entitlement to profits made by PST. NECA Victoria does not have majority voting rights on the board, nor does it have significant influence over board decisions by virtue of the board structure, hence the accounts of the company have not been consolidated, nor equity accounted.

** MERT Pty Ltd is the trustee of the Mechanical and Electrical Redundancy Trust ("the scheme"), the company is incorporated in Australia. The National Electrical and Communications Association New South Wales Branch ("NECA New South Wales") / The Electrical Contractors Association ("ECA NSW") owns 20% (2024: 20%) of the scheme, and has no entitlement of the income and capital of the scheme. The scheme has been set up to safeguard the redundancy benefits of electrical and mechanical workers within the electrical and construction industry. The purpose of the scheme is for employer groups to contribute to it, and hold monies in trust for its members if they become redundant or are terminated. No monies are distributed to the Group in respect of those contributions. The Group does not have the majority voting rights on the board, nor does it have significant influence by virtue of the board structure, hence the scheme has not been consolidated, nor equity accounted.

Note 36. Interests in joint ventures

The following disclosures relate to entities not equity accounted for by the NECA Branches. This detail is provided for a full understanding of the NECA structure:

Information relating to joint ventures that are material to the NECA Branches are set out below.

Table - Ownership interest held by NECA Branches.

Name	Principal place of business / Country of incorporation	Ownership interest	
		2025 %	2024 %
Elecnet (Australia) Pty Ltd *	Australia	50%	50%
NESS Super Pty Ltd **	Australia	50%	50%
Future Energy Skills Pty Ltd ***	Australia	50%	50%

Note 36. Interests in joint ventures (continued)

- * ElecNet (Aust) Pty Ltd is the trustee of the Electrical Industry Severance Scheme ("the scheme"), it is incorporated in Australia. National Electrical and Communications Association Victorian Branch ("NECA Victoria") owns 50% (2024: 50%) of the scheme, and have entitlement to 25% of the income and capital of the Electrical Division of the scheme. The scheme has been set up for the benefit of its members and not the Group. The purpose of the scheme is for employer groups to contribute to it, and hold monies in trust for its members if they become redundant or are terminated. No monies are distributed to the Group in respect of those contributions. Further, NECA Victoria under the Trust Deed has no risk in relation to an unfunded scheme position (contingent liability). NECA had a facility agreement in place with Elecnet that expired post 2020, to the extent of a capped portion of the distributions. The Group does not have the majority voting rights on the board, nor does it have significant influence by virtue of the board structure, hence the accounts of the scheme have not been consolidated, nor equity accounted. During the year, NECA Victoria received distributions of \$nil (2024: \$nil) from the scheme and directors fees of \$nil (2024: \$nil).
- ** NESS Super Pty Ltd is the trustee of NESS Super ("the fund"), the company incorporated in Australia. The National Electrical and Communications Association New South Wales Branch ("NECA New South Wales")/ The Electrical Contractors Association ("ECA NSW") owns 50% (2024: 50%) of the trustee company NESS Super Pty Ltd, and have no entitlements of the income and capital of the fund. The fund has been set up by electrical industry representatives to service the electrotechnology industry, contractors and employees. The purpose of the fund is for employers to contribute to it, and hold monies for its member's superannuation fund. No monies are distributed to the Group in respect of those contributions.
- *** Future Energy Skills Pty Ltd ("Future") is a company limited by guarantee and registered with the Australian Charities and Not For Profit Commission ("ACNC"). Future is governed by a board of directors from industry peak bodies, the National Electrical and Communications Association ("NECA") and the Electrical Trades Union of Victoria ("ETU") as members. The current NECA Victoria director who is part of the board include Michael Purnell. The directors are ultimately responsible for managing the business of Future on behalf of the members. The board of directors (from NECA and ETU) is comprised of: up to two directors appointed by the ETU; up to two directors appointed by NECA; and up to two independent directors. During the year, no transactions have occurred between NECA Victoria and Future.

Note 37. Cash flow information

Reconciliation of cash and cash equivalents as per statement of financial position to statement of cash flow

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Cash and cash equivalents as per:				
Statement of cash flow	17,679,439	11,631,568	264,615	759,267
Statement of financial position	17,679,439	11,631,568	264,615	759,267
Difference	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

National Electrical and Communications Association - National Office and its controlled entities
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Note 37. Cash flow information (continued)

Reconciliation of surplus/(deficit) after income tax to net cash from/(used in) operating activities

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Surplus/(deficit) after income tax expense for the year	4,932,560	4,342,161	(49,452)	(162)
Adjustments for:				
Depreciation and amortisation	3,089,515	3,092,742	7,916	26,841
Write off of non-current assets	-	-	-	-
Net loss on revaluation of financial instruments	-	-	-	-
Accrued interest expense on loans	-	-	-	-
Change in operating assets and liabilities:				
Decrease/(increase) in trade and other receivables	(601,402)	(1,702,174)	(590,345)	415,751
Decrease/(increase) in inventories	36,693	(71,226)	-	-
Decrease in income tax refund due	-	18,128	-	-
Increase in deferred tax assets	(20,540)	(29,008)	-	-
Decrease/(increase) in prepayments	(617,101)	(542,841)	(313,024)	117,917
Increase in other operating assets	-	-	(77,796)	(75,670)
Increase/(decrease) in trade and other payables	698,346	654,161	559,138	(165,905)
Increase in contract liabilities	604,209	1,579,661	30,508	106,454
Increase in provision for income tax	75,626	27,251	-	-
Increase/(decrease) in employee benefits	524,574	1,005,982	(43,285)	71,056
Net cash from/(used in) operating activities	<u>8,722,480</u>	<u>8,374,837</u>	<u>(476,340)</u>	<u>496,282</u>

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Operating activities				
Cash received from other reporting units				
NECA - New South Wales branch	2,603,393	2,543,116	40,032	57,826
NECA - Queensland branch	89,635	74,686	24,060	-
NECA - Australian Capital Territory branch	24,508	5,057	-	2,213
NECA - Tasmanian branch	182,456	116,760	50,746	7,624
Total cash inflows	<u>2,899,992</u>	<u>2,739,619</u>	<u>114,838</u>	<u>67,663</u>
Cash paid to other reporting units				
NECA - New South Wales branch	(1,689,162)	(2,264,802)	(1,064,134)	(1,190,369)
NECA - Queensland branch	(813,511)	(856,865)	(309,715)	(293,015)
NECA - Australian Capital Territory branch	(947,001)	(1,037,209)	(125,604)	(96,875)
NECA - Tasmanian branch	(773,948)	(731,156)	(156,683)	(93,763)
Total cash outflows	<u>(4,223,622)</u>	<u>(4,890,032)</u>	<u>(1,656,136)</u>	<u>(1,674,022)</u>

Note 38. Events after the reporting period

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Note 39. Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or General manager:

National Electrical and Communications Association - National Office and its controlled entities
Notes to the consolidated financial statements
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Note 39. Section 272 Fair Work (Registered Organisations) Act 2009 (continued)

- (1) A member of the Group, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the Group 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 Group.
- (3) The Group must comply with an application made under subsection (1).

National Electrical and Communications Association
Consolidated entity disclosure statement
As at 30 June 2025

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
Australian Cabler Registration Service Pty Ltd	Body corporate	Australia	100.00%	Australia
NECA Education and Careers Limited	Body corporate	Australia	100.00%	Australia
ECA Training Pty Ltd	Body corporate	Australia	100.00%	Australia
NECA Training Ltd	Body corporate	Australia	100.00%	Australia
NECA Legal Pty Ltd	Body corporate	Australia	100.00%	Australia
NECA Trade Services Pty Ltd	Body corporate	Australia	100.00%	Australia
NECA Foundation Limited	Body corporate	Australia	100.00%	Australia
Constructive Legal Solutions Pty Ltd	Body corporate	Australia	100.00%	Australia

National Electrical and Communications Association - National Office and its controlled entities
Notes to the consolidated financial statements
30 June 2025

Officer declaration statement
30 June 2025

I, Michael Davis, being the Treasurer of the National Electrical and Communications Association National Office declare that the following activities did not occur during the reporting period ended 30 June 2025.

The Group did not:

- 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 periodic or membership subscription
- receive revenue via compulsory levies
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay wages and salaries to holders of office
- pay superannuation to holders of office
- pay leave and other entitlements to holders of office
- pay separation and redundancy to holders of office
- pay other employee expenses to holders of office
- pay separation and redundancy to employees (other than holders of office)
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have an annual leave provision in respect of holders of office
- have a long service leave provision in respect of holders of office
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of 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 designated officer



Name of the designated officer: Michael Davis
Title of the designated officer: Treasurer

5 November 2025