7 January 2015

Mr Suresh Manickam
National Secretary/CEO
National Electrical Contractors Association, The
necanat@neca.asn.au

CC: John Gavens, Crowe Horwath, by email: info@crowehorwath.com.au

Dear Mr Manickam,

National Electrical Contractors Association
Financial Report for the year ended 30 June 2014 - [FR2014/128]

I acknowledge receipt of the financial report of the National Electrical Contractors Association. The documents were lodged with the Fair Work Commission on 17 December 2014.

The financial report has now been filed. Thank you for incorporating the comments from last year's correspondence.

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

Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

I make the following comment to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The Fair Work Commission will confirm this concern has been addressed prior to filing next year's report.

Documents must be lodged with the Fair Work Commission within 14 days of General Meeting

Section 268 of the RO Act requires that the full report and the designated officer's certificate are required to be lodged with the Fair Work Commission within 14 days of the Committee of Management meeting. Section 268 is a civil penalty provision.

The Designated Officer's Certificate indicates that this meeting occurred on 27 November 2014. If this is correct the full report should have been lodged with the Fair Work Commission by 11 December 2014.

The full report was lodged on 17 December 2014.

While the organisation requested an extension of time within their lodgement letter, an extension of a financial reporting deadline must be requested *prior* to the date concerned. I note that the correspondence on last year's financial return stressed the need to comply with timelines in the future. Indeed, the organisation has considerably improved its compliance with legislative timeframes.

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Given this substantial improvement, the shortness of the delay and the reason presented for the delay, the report has been filed without an extension. However, please note that in future financial years if the organisation cannot meet a financial reporting legislative timeframe, a written request for an extension of time, signed by a relevant officer, including any reason for the delay, must be made **prior** to the deadline passing and if the timeframes for the financial return are not complied with for next year's report the matter may be referred to the compliance team for their consideration.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via this link.

If you have any queries regarding this letter, please contact me on (03) 8661 7974 or via email at catherine.bebbington@fwc.gov.au.

Yours sincerely

CATHERINE BEBBINGTON
Regulatory Compliance Branch

FAIR WORK COMMISSION
Tel: 03 8661 7974
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16 December 2014

General Manager
Fair Work Australia
GPO Box 1994
MELBOURNE VIC 3001

Dear Sir/Madam

CERTIFICATE OF SECRETARY

I, Suresh Manickam, being the Secretary of the National Electrical Contractors Association, certify:

1. that the documents lodged herewith are copies of the full report referred to in s268 of the Fair Work (Registered Organisation) Act 2009 (RO Act);

2. that the full report was provided to members on 5 November 2014;

3. that the full report is posted on the NECA website and;

4. that the full financial report for 2013/2014 was presented to the National Council Meeting on 27 November 2014 in accordance with s266 of the RO Act.

Due to major computer server problems experienced over the last week these documents were unable to be lodged within the prescribed time of 14 days of the meeting and I hereby request an extension of time be granted.

Yours faithfully

SURESH MANICKAM
SECRETARY

Attach.

National Electrical Contractors Association (NECA)

Financial Statements

For the Year Ended 30 June 2014

FINANCIAL STATEMENTS 2013–14

Contents

Crowe Horwath.

Independent Auditor's Report to the Members of the National Electrical Contractors Association National Office and Controlled Entities

Report on the financial report

We have audited the accompanying financial report of the National Electrical Contractors Association and Controlled Entities ("the Association"), which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement of the Committee of Management of the National Electrical Contractors Association National Office and Controlled Entities, for the year ended 30 June 2014.

Committee's responsibility for the financial report

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*, and for such internal control as the directors 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. Note 1 to the financial report also states, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements* that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting obligations under the Fair Work (Registered Organisations) Act 2009. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies and the *Fair Work (Registered Organisations) Act 2009.*

Auditor's opinion

In our opinion, the general purpose report of the National Electrical Contractors Association and Controlled Entities for the year ended 30 June 2014 is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009.*

Emphasis of Matter – Going Concern

Without modifying our opinion we draw attention to Note 1 of the financial report, which describes uncertainty related to two of the subsidiaries of NECA National, NECA Legal Pty Ltd and Australian Cabler Registration Services Pty Ltd ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1.5 to the financial report which describes the basis of preparation of the Financial Statements. The Financial Statements have been prepared for the purpose of fulfilling the committee of management's financial reporting responsibilities under the Fair Work (Registered Organisations) Act 2009. As a result the financial report may not be suitable for another purpose

Other Matters

I declare that, as part of the audit of the financial statements for the year ended 30 June 2014, I have concluded that management's use of the going concern basis of accounting in the preparation of the NECA National and controlled entities financial statements is appropriate.

I also declare that I am an approved auditor as defined in Regulation 4 of the RO Regulations

I am currently

- A fellow of the Institute of Chartered Accountants in Australia (#26502)
- A registered company auditor (#7516), and
- Hold a Certificate of Public Practice with the ICAA dated 7 March 1989

Crowe Horwath Melbourne

CROWE HORWATH MELBOURNE

JOHN GAVENS
Partner
Level 17, 181 William Street, Melbourne, Victoria

Registered Company Auditor #7516

Dated this 5th day of November 2014

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended 30th June 2014

I, Suresh Manickam, being the Secretary of the National Electrical Contractors Association – National Office certify:

- that the documents lodged herewith are copies of the full report for the National Electrical Contractors Association – National Office for the period ended 30th June 2014 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 5 November 2014 and
- that the full report was presented to a general meeting of members of the reporting unit on 27th November 2014 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009.*

Signature of prescribed designated officer: ....

Name and title of designated officer: SURESH MANICKAM – SECRETARY

Dated: 27 NOVEMBER 2014

OPERATING REPORT BY THE COMMITTEE

The committee presents its report on the reporting unit for the financial year ended 30th June 2014. The report covers the results of the National Electrical Contractors Association – National Office (the reporting unit) and controlled entities.

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

The reporting unit is the National Office of the organisation whose principal activities involve representing the interests of its members in the electrical and communications contracting industry. Its principal activities, and through its Chapters, 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. Members are directed to the NECA 2014 Annual Review for further information.

The profit of the reporting unit and it's controlled entities for the financial year, after providing for income tax, amounted to $1,355,921 (2013: $1,149,140)

Significant changes in financial affairs

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

After balance date events

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

In relation to the controlled entities, the directors of 370 Degrees approved the potential sale of the Brunswick Road property at the board meeting held on 26 August 2014. It is possible the sale will take place during the financial year ending 30 June 2015.

Right of members to resign

Members may resign from the Association in accordance with Rule 11, Resignation from Membership, of the Federal rules of the National Electrical Contractors Association. Rule 11 conforms with Section 174 of the Fair Work (Registered Organisations) Act 2009.

OPERATING REPORT BY THE COMMITTEE (cont'd)

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

Name of officer/member	Position details	Is the position held because they are an officer/member of NECA or were nominated by NECA?
Reg Young	Director of NESS Super	Yes
Tony Glossop	Director of NESS Super	Yes

Number of members

The reporting unit had 4,080 (2013: 4,086) members at financial year end.

Number of employees

The reporting unit had 9.65 full time equivalent (2013: 9.65 FTE) employees at financial year end. The controlled entities had 77 (2013: 83) employees and 895 (2013: 861) apprentices and trainees.

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

Alan Brown
Wes McKnight
Willem Fromberg
Greg Hodby
David McInnes
Grant Bawden (elected 23/08/13)
Alan Charlton (elected 30/07/13)
Gregory Kempton (resigned 23/08/13)
Barry Dawson (resigned 23/08/13)
Michael Graham (resigned 20/08/13)
Alan Aitchison (resigned 17/07/13)
Bruce Duff (elected 19/09/13)
Russell Chatfield (elected 20/08/13)
Jim Heerey
Andrew Thorpe (elected 17/07/13)
Russel Thompson (elected 29/07/13)
Robert Donnelly (elected 23/08/13)
Michael Green (30/07/13)
Simon Higgins (resigned 30/07/13)
James Tinslay (resigned 20/02/14)
Stephen Griffiths (resigned 19/09/13)
Peter Babbage (resigned 29/07/13)
David Suresh Manickam (appointed 20/02/14 to fill casual vacancy and elected 11/06/14)

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

Signature of designated officer: ....

Name and title of designated officer: SURESH MANICKAM – CEO/SECRETARY

Dated: 3 NOVEMBER 2014

COMMITTEE OF MANAGEMENT STATEMENT

On the 3rd of November 2014 the Committee of Management of the National Electrical Contractors Association – National Office passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30th June 2014:

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 the reporting guidelines of the General Manager;

(c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;

(d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and

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

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

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

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

  (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit 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 the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or 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.

(f) during the financial year to which the GPFR relates, no recovery of wages activities were undertaken.

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

Signature of designated officer: ....

Name and title of designated officer: SURESH MANICKAM – CEO / SECRETARY

Dated: 3 NOVEMBER 2014

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2014

	Notes	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Revenue					
Membership subscription		**–**	–	**–**	–
Apprentice hire fees & traineeship		**50,178,497**	45,012,157	**–**	–
Sale of Products and Services		**975,362**	471,286	**–**	–
Licence Revenue		**550,343**	537,924	**–**	–
Capitation fees	2A	**986,199**	955,231	**986,199**	955,231
Levies		**–**	–	**–**	–
Interest	2B	**402,486**	448,494	**44,270**	65,898
Insurance Commission		**139,151**	125,424	**–**	–
Total revenue		**53,232,038**	47,550,516	**1,030,469**	1,021,129
Other Income					
Grants and/or donations	2C	**2,489,899**	2,971,431	**–**	–
Project Income		**2,031,402**	1,347,406	**2,031,402**	1,347,406
Other Income		**598,529**	496,940	**676,224**	503,847
Total other income		**5,119,830**	4,815,777	**2,707,626**	1,851,253
Total income		**58,351,868**	52,366,293	**3,738,095**	2,872,382
Expenses					
Employee expenses	3A	**48,549,628**	43,960,978	**940,771**	743,202
Capitation fees		**–**	–	**–**	–
Affiliation fees	3B	**38,064**	45,355	**38,064**	45,355
Administration expenses	3C	**4,417,445**	4,385,293	**482,409**	463,673
Grants or donations		**–**	–	**–**	–
Depreciation and amortisation	3D	**527,041**	503,025	**11,170**	13,102
Finance costs	3E	**289**	6	**–**	–
Legal costs	3F	**14,962**	66,519	**–**	27,224
Audit fees	12	**96,141**	102,693	**35,643**	49,743
Other expenses	3G	**3,385,600**	2,187,473	**2,244,612**	1,763,043
Total expenses		**57,029,170**	51,251,342	**3,752,669**	3,105,342
Profit/(loss) for the year before tax		**1,322,698**	1,114,951	**(14,574)**	(232,960)
Income Tax Expense	5F	**(33,223)**	(34,189)		
Profit/(loss) for the year after tax		**1,355,921**	1,149,140	**(14,574)**	(232,960)
Other comprehensive income					
Items that will not be subsequently reclassified to profit or loss		**-**	-	**-**	-
Gain on revaluation of land & buildings		**40,600**	2,869,480	**-**	-
Total comprehensive income/(loss) for the year		**1,396,521**	4,018,620	**(14,574)**	(232,960)

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

STATEMENT OF FINANCIAL POSITION

as at 30 June 2014

		Consolidated		Parent	
		2014	2013	**2014**	2013
	Notes	**$**	$	**$**	$
ASSETS					
Current Assets					
Cash and cash equivalents	4A	**5,929,792**	5,889,291	**1,131,912**	1,566,285
Trade and other receivables	4B	**6,754,376**	8,287,337	**246,145**	602,193
Financial assets	4C	**4,627,941**	3,523,060	**925,000**	–
Total current assets		**17,312,109**	17,699,688	**2,303,057**	2,168,478
Non-Current Assets					
Land and buildings	5A	**12,177,557**	12,169,186	**–**	–
Plant and equipment	5B	**1,440,954**	1,466,588	**7,457**	18,627
Intangibles	5C	**37,242**	70,054	**–**	–
Other investments	5D	**–**	–	**104**	104
Deferred Tax Assets	5E	**287,840**	254,617	**–**	–
Total non-current assets		**13,943,593**	13,960,445	**7,561**	18,731
Total assets		**31,255,702**	31,660,133	**2,310,618**	2,187,209
LIABILITIES					
Current Liabilities					
Trade payables	6A	**2,376,327**	4,730,713	**203,419**	324,944
Other payables	6B	**3,372,860**	2,461,764	**860,210**	245,210
Employee provisions	7A	**3,191,834**	3,593,243	**59,926**	411,231
Total current liabilities		**8,941,021**	10,785,720	**1,123,555**	981,385
Non-Current Liabilities					
Employee provisions	7A	**148,669**	104,922	**2,671**	6,858
Total non-current liabilities		**148,669**	104,922	**2,671**	6,858
Total liabilities		**9,089,690**	10,890,642	**1,126,226**	988,243
Net assets		**22,166,012**	20,769,491	**1,184,392**	1,198,966
EQUITY					
General funds	8A	**2,939,336**	2,898,736	**–**	–
Retained earnings		**19,226,676**	17,870,755	**1,184,392**	1,198,966
Total equity		**22,166,012**	20,769,491	**1,184,392**	1,198,966

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

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2014

Consolidated	Notes	Share Capital $	Asset Revaluation $	Retained earnings $	Total equity $
Balance as at 1 July 2012		**-**	**29,256**	**16,721,615**	**16,750,871**
Adjustment for errors		-	-	-	-
Adjustment for changes in accounting policies		-	-	-	-
Profit for the year		-	-	1,149,140	1,149,140
Other comprehensive income for the year	8A	-	2,869,480	-	2,869,480
Transfer to/from General funds	8A	-	-	-	-
Transfer from retained earnings		-	-	-	-
Closing balance as at 30 June 2013		**-**	**2,898,736**	**17,870,755**	**20,769,491**
Adjustment for errors		-	-	-	-
Adjustment for changes in accounting policies		-	-	-	-
Profit for the year		-	-	1,355,921	1,355,921
Other comprehensive income for the year	8A	-	40,600	-	40,600
Transfer to/from General funds	8A	-	-	-	-
Transfer from retained earnings		-	-	-	-
Closing balance as at 30 June 2014		**-**	**2,939,366**	**19,226,676**	**22,166,012**

Parent	Notes	Share Capital $	Asset Revaluation $	Retained earnings $	Total equity $
Balance as at 1 July 2012		**-**	**-**	**1,431,926**	**1,431,926**
Adjustment for errors		-	-	-	-
Adjustment for changes in accounting		-	-	-	-
Profit/(Loss) for the year		-	-	(232,960)	(232,960)
Other comprehensive income for the year	8A	-	-	-	-
Transfer to/from General Funds	8A	-	-	-	-
Transfer from retained earnings		-	-	-	-
Closing balance as at 30 June 2013		**-**	**-**	**1,198,966**	**1,198,966**
Adjustment for errors		-	-	-	-
Adjustment for changes in accounting		-	-	-	-
Profit/(Loss) for the year		-	-	(14,574)	(14,574)
Other comprehensive income for the year	8A	-	-	-	-
Transfer to/from General Funds	8A	-	-	-	-
Transfer from retained earnings		-	-	-	-
Closing balance as at 30 June 2014		**-**	**-**	**1,184,392**	**1,184,392**

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

CASH FLOW STATEMENT
for the year ended 30 June 2014

	Notes	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
OPERATING ACTIVITIES					
Cash received					
Receipts from other reporting units/controlled entity(s)	9B	**2,089,786**	1,613,419	**1,773,451**	1,221,287
Receipts from customers		**56,095,336**	48,782,358	**2,276,422**	1,200,609
Interest		**402,486**	448,494	**44,270**	65,898
Cash used		**58,587,608**	50,844,271	**4,094,143**	2,487,794
Payments to Employees & Suppliers		**(54,213,583)**	(46,117,101)	**(1,601,245)**	(1,405,961)
Net Income Tax Paid		**7,500**	16,275		
Payment to other reporting units/controlled entity(s)	9B	**(2,823,656)**	(1,626,449)	**(2,002,271)**	(1,184,749)
Net cash from (used by) operating activities	9A	**1,557,869**	3,116,996	**490,627**	(102,916)
INVESTING ACTIVITIES					
Cash received					
Proceeds from sale of plant and equipment		**43,761**	293,117	**-**	-
Proceeds from sale of investment/Non-current assets		**49,091**	-	**-**	-
Cash used		**92,852**	293,117	**-**	-
Purchase of plant and equipment		**(505,339)**	(3,912,453)	**-**	(15,391)
Purchase of investment/Non-current assets		**(179,881)**	(159,451)	**-**	-
Net cash from (used by) investing activities		**(592,368)**	(3,778,787)	**-**	(15,391)
FINANCING ACTIVITIES					
Cash received					
Contributed equity		**-**	-	**-**	-
Loan from related party		**-**	-	**-**	-
Cash used					
Repayment of borrowings		**-**	-	**-**	-
Purchase of term deposit		**(925,000)**	-	**(925,000)**	-
Net cash from (used by) financing activities		**(925,000)**	-	**(925,000)**	-
Net increase (decrease) in cash held		**40,501**	(661,791)	**(434,373)**	(118,307)
Cash & cash equivalents at the beginning of the reporting period		**5,889,291**	6,551,082	**1,566,285**	1,684,592
Cash & cash equivalents at the end of the reporting period	4A	**5,929,792**	5,889,291	**1,131,912**	1,566,285

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

Index to the Notes of the Financial Statements

Note 1 Summary of Significant Accounting Policies

The financial statements cover the National Electrical Contractors Association (NECA) as a consolidated entity. The National Electrical Contractors Association ("NECA") is an association of employers registered under the Fair Work (Registered Organisations) Act 2009.

Going Concern

NECA Legal Pty Ltd
NECA Legal Pty Ltd has a net assets deficiency of $566,142 as at 30 June 2014. The net assets deficiency is due to NECA Legal having a loan payable to NECA NSW Chapter amounting to $687,458. NECA Legal has received a guarantee of continuing financial support from NECA National Office to allow the company to meet its liabilities.

Australian Cabler Registration Services Pty Ltd
ACRS has incurred a net loss after tax amounting to $86,912 for the year ended 30 June 2014 and a net loss after tax amounting to $92,261 for the year ended 30 June 2013. NECA National Office, as the parent, has provided a letter of support which will allow the company to pay its debts as and when they fall due.

Notwithstanding the above factors National Electrical Contractors Association and its controlled entities have made a consolidated profit of $1,396,521 and have a positive consolidated working capital of $8,371,088. The committee is therefore confident that NECA can access funding to provide financial support to the above two controlled entities which will enable them to pay their debts as and when they fall due. The financial support will continue to be made available until at least 12 months from the date of signing of these consolidated financial statements.

1.1 Basis of Preparation of the Financial Statements

NECA is a not for profit entity. The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board ("AASB"), and the Fair Work (Registered Organisations) Act 2009.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Functional and presentation currency
The functional currency of the reporting unit is measured using the currency of the primary economic environment in which the reporting unit operates.

1.2 Comparative amounts

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

Where the reporting unit has retrospectively applied an accounting policy, made a retrospective restatement or reclassifies items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

There have been neither adjustments nor reclassifications during the current period.

1.3 Significant Accounting Judgements and Estimates

Management evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the reporting unit.

Key estimates – impairment

The reporting unit assesses impairment at the end of each reporting year by evaluating conditions specific to the reporting unit that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions

1.4 New Australian Accounting Standards

During the current year, the reporting unit adopted the following new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13

The reporting unit has applied AASB 13 and its consequential amendments from 1 July 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach is used to measure non-financial assets whereas liabilities are based on transfer value. The standard requires increased disclosures where fair value is used.

AASB 119 Employee Benefits (September 2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)

The standard also changed the definition of short-term employee benefits, from 'due to' to 'expected to' be settled within 12 months. Annual leave that is not expected to be wholly settled within 12 months is now discounted allowing for expected salary levels in the future period when the leave is expected to be taken.

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

1.5 Basis of consolidation

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 chapters of NECA are separate reporting units. All other controlled entities are consolidated in the NECA National 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 GPFR are required to comply with Tier 1 reporting requirements of AASB 1053.

For purposes of the consolidation, the parent comprises the National Electrical Contractors 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 14 for the entities comprising this reporting unit.

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

1.6 Investment in associates

Investments in associates are recognised in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the reporting unit's share of net assets of the associate entity. In addition, the reporting unit's share of the profit or loss of the associate company is included in the reporting unit's profit or loss.

Profits and losses resulting from transactions between the reporting unit and the associate are eliminated to the extent of the reporting unit's interest in the associate.

When the reporting unit's share of losses in an associate equals or exceeds its interest in the associate, the reporting unit discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. Upon the associate subsequently making profits, the reporting unit will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

Details of the reporting unit's investments in associates are shown at Note 14.

1.7 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

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

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

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Revenue from the rendering of services is recognised upon the delivery of the service to the customer.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Contributions for the ElectroComms Contracting Foundation are recognised as revenue when the right to receive a contribution has been established.

Licence fees received in advance are carried forward as a liability in the Balance Sheet to be amortised into income for the relevant years. Licence revenue for 1 year & 3 year licences is recognised proportionally over the period to which it relates.

1.8 Government grants

Government grants are not recognised until there is reasonable assurance that the reporting unit will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the reporting unit recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the reporting unit should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the reporting unit with no future related costs are recognised in profit or loss in the period in which they become receivable.

1.9 Gains

Sale of assets

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

1.10 Capitation fees and levies

Capitation fees and levies are to be recognised on an accrual basis and recorded as a revenue and/or expense in the year to which they relate.

1.11 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

1.12 Leases

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

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

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

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

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

1.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.14 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

1.15 Financial instruments

Financial assets and financial liabilities are recognised when the reporting unit or a controlled entity becomes a party to the contractual provisions of the instrument.

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

1.16 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

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

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

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

Held-to-maturity investments

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

Available-for-sale

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

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

Loan and receivables

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

Effective interest method

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

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

Impairment of financial assets

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

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis.

Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

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

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

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

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

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

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Derecognition of financial assets

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

1.17 Financial Liabilities

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

Fair value through profit or loss

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

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

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

Other financial liabilities

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

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

Derecognition of financial liabilities

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

1.18 Land, Buildings, Plant and Equipment

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Building Improvements include improvements on owned assets while leasehold improvements include improvements to the assets which have been leased.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the Statement of Comprehensive Income.

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.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Computer software

Computer software is recognised as an asset in accordance with the requirement of AASB 116. This asset is carried at cost less any accumulated depreciation and any accumulated impairment loss.

Depreciation

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

Depreciation rates applying to each class of depreciable asset are:

Class of Fixed Asset	**Depreciation Rate**
Buildings	2.5%
Plant and Equipment	7.5 - 40%
Furniture, Fixtures and Fittings	5 - 40%
Motor Vehicles	22.5%
Office Equipment	18 - 37.5%
Computer Equipment	40%
Computer Software	40%
Leasehold Improvements	2.5 - 4%

Impairment

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Disposals

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the Statement of Comprehensive Income

1.19 Intangibles

Internally-generated intangible assets – training development and website costs

An internally-generated intangible asset arising from the Association's development such as Training development and website costs is recognised only if the Association can demonstrate all of the following conditions in accordance with AASB 138 Intangible Assets:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- the probability that the asset created will generate future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during development

The Association's internally-generated intangibles are amortised on a straight-line basis over its estimated useful life of three years. Where no internally-generated intangible asset can be recognised, development expenditure is charged to the statement of comprehensive income in the period in which it is incurred.

The estimated useful lives and depreciation method are reviewed at each year-end, with the effect of any changes in estimate accounted for on a prospective basis.

Any impairment losses are recognised in the Statement of Comprehensive Income in accordance with the requirements of AASB 136 Impairment of Assets.

For website costs, the requirements of AASB Interpretation 132 Website costs have been complied with.

Derecognition

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

1.20 Impairment for non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Association or controlled entities were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.21 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

1.22 Taxation

No provision for income tax is necessary for the Association as "Associations of Employers" are exempt from income tax under Section 50-1 of the Income Tax Assessment Act 1997.

However, some subsidiaries that fall under the control of the Association 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 (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

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 (income) 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.

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

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

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

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

1.23 Fair value measurement

The reporting unit measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 16A.

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

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

The principal or the most advantageous market must be accessible by the reporting unit.The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The reporting unit uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the reporting unit determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the reporting unit has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

	Consolidated		Parent	
	2014	2013	**2014**	2013
	$	$	**$**	$

Note 2 Income

Note 2A: Capitation fees

VIC Chapter	**345,781**	326,907	**345,781**	326,907
NSW Chapter	**298,005**	297,055	**298,005**	297,055
WA Chapter	**213,840**	204,877	**213,840**	204,877
SA Chapter	**88,759**	89,436	**88,759**	89,436
ACT Chapter	**27,725**	25,396	**27,725**	25,396
TAS Chapter	**12,089**	11,560	**12,089**	11,560
Total capitation fees	**986,199**	955,231	**986,199**	955,231

Note 2B: Interest

Deposits	**402,486**	448,494	**44,270**	65,898
Loans	**-**	-	**-**	-
Total interest	**402,486**	448,494	**44,270**	65,898

Note 2C: Grants or donations

Grants	**2,489,899**	2,971,431	**-**	-
Donations	**-**	-	**-**	-
Total grants or donations	**2,489,899**	2,971,431	**-**	-

Note 2D: Net gains from sale of assets

Land and buildings	**-**	-	**-**	-
Plant and equipment	**23,881**	1,798	**-**	-
Intangibles	**-**	-	**-**	-
Total net gain from sale of assets	**23,881**	1,798	**-**	-

	Consolidated		Parent	
	2014	2013	**2014**	2013
	$	$	**$**	$

Note 3 Expenses

Note 3A: Employee expenses

	2014	2013	**2014**	2013
Holders of office:				
Wages and salaries	**453,926**	279,275	**453,926**	279,275
Superannuation	**65,075**	25,135	**65,075**	25,135
Leave and other entitlements	**8,376**	7,668	**8,376**	7,668
Separation and redundancies	**-**	-	**-**	-
Other employee expenses	**-**	-	**-**	-
Subtotal employee expenses - holders of office	**527,377**	312,078	**527,377**	312,078
Employees other than office holders:				
Wages and salaries	**43,898,426**	39,716,767	**367,060**	343,665
Superannuation	**3,614,749**	3,164,459	**36,468**	30,762
Leave and other entitlements	**267,084**	321,295	**31,652**	20,441
Separation and redundancies	**(291,187)**	-	**-**	-
Other employee expenses	**533,179**	446,379	**(21,786)**	36,256
Subtotal employee expenses - employees	**48,022,251**	43,648,900	**413,394**	431,124
Total employee expenses	**48,549,628**	43,960,978	**940,771**	743,202

Note 3B: Affiliation fees

	2014	2013	**2014**	2013
Australian Chamber of Commerce & Industry	**38,064**	36,955	**38,064**	36,955
Australian Construction Industry Forum	**-**	8,400	**-**	8,400
Total affiliation fees/subscriptions	**38,064**	45,355	**38,064**	45,355

Note 3C: Administration expenses

	2014	2013	**2014**	2013
Consideration to employers for payroll deductions	**-**	-	**-**	-
Compulsory levies	**-**	-	**-**	-
Fees/allowances - meeting and conferences	**-**	-	**-**	-
Apprentice Costs (other than salaries)	**678,465**	536,404	**-**	-
Conference and meeting expenses	**98,689**	105,641	**12,086**	17,255
Contractors/consultants	**384,691**	369,249	**144,129**	138,821
Directors Remuneration	**78,000**	47,750	**-**	-
Property expenses	**296,091**	424,817	**52,020**	45,001
Office expenses	**554,101**	483,456	**18,262**	22,105
Information communications technology	**354,032**	389,152	**89,736**	23,641
Management fees	**192,496**	318,391	**-**	-
Motor Vehicle expenses	**183,422**	203,423	**11,793**	17,262
Training	**485,361**	347,627	**-**	550
Travel & Accommodation	**94,752**	113,828	**64,390**	52,736
Other	**908,855**	1,023,409	**89,993**	146,302

	Consolidated		Parent	
	2014	2013	**2014**	2013
	$	$	**$**	$

Note 3 Expenses (cont'd)

Note 3C: Administration expenses (cont'd)

Subtotal administration expense	**4,308,955**	4,363,147	**482,409**	463,673
Operating lease rentals:				
Minimum lease payments	**108,490**	22,146	**-**	-
Total administration expenses	**4,417,445**	4,385,293	**482,409**	463,673

Note 3D: Depreciation and amortisation

Depreciation				
Land & buildings	**127,999**	91,761	**-**	-
Property, plant and equipment	**366,230**	380,503	**11,170**	13,102
Total depreciation	**494,229**	472,264	**11,170**	13,102
Amortisation				
Intangibles	**32,812**	30,761	**-**	-
Total amortisation	**32,812**	30,761	**-**	-
Total depreciation and amortisation	**527,041**	503,025	**11,170**	13,102

2013 Depreciation for property, plant and equipment includes write-down of $166,076 of leasehold improvements, furniture and equipment due to relocation of office by 370 Degrees Group

Note 3E: Finance costs

Finance leases	**-**	-	**-**	-
Overdrafts/loans	**289**	6	**-**	-
Unwinding of discount	**-**	-	**-**	-
Total finance costs	**289**	6	**-**	-

Note 3F: Legal costs

Litigation	**-**	-	**-**	-
Other legal matters	**14,962**	66,519	**-**	27,224
Total legal costs	**14,962**	66,519	**-**	27,224

Note 3G: Other expenses

Advertising & Promotion	**424,185**	321,280	**24,454**	5,545
Bad Debts	**566,487**	112,146	**-**	-
Doubtful Debts	**174,770**	(3,451)	**-**	-
Excellence Awards Expenses	**188,756**	166,594	**188,756**	166,594
Loss on write off of investment in associate	**-**	243,498	**-**	243,498
Project Expenses	**2,031,402**	1,347,406	**2,031,402**	1,347,406
Penalties - via RO Act or RO Regulations	**-**	-	**-**	-
Total other expenses	**3,385,600**	2,187,473	**2,244,612**	1,763,043

Note 4 Current Assets

Note 4A: Cash and Cash Equivalents

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Cash at bank	**5,068,931**	4,548,228	**1,131,912**	1,565,585
Cash on hand	**800**	1,500	-	700
Short term deposits	**860,061**	1,339,563	-	-
Total cash and cash equivalents	**5,929,792**	5,889,291	**1,131,912**	1,566,285

Note 4B: Trade and Other Receivables

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Receivables from other reporting units				
Victorian Chapter	**33,371**	51,136	**11,418**	39,131
Queensland Chapter	**8,621**	10,816	**8,522**	10,266
Tasmanian Chapter	**3,668**	13,432	**396**	6,358
New South Wales Chapter	**17,178**	27,677	**13,534**	27,677
Australian Capital Territory Chapter	**927**	2,473	**927**	2,473
South Australian Chapter	**28,425**	29,015	**28,425**	29,015
Western Australian Chapter	**1,445**	58,621	**1,445**	58,621
Total receivables from other reporting units	**93,635**	193,170	**64,667**	173,541
Less provision for doubtful debts	-	-	-	-
Total provision for doubtful debts	-	-	-	-
Receivable from other reporting units (net)	**93,635**	193,170	**64,667**	173,541
Other receivables:				
GST receivable from the ATO	-	-	-	-
Trade receivables	**5,651,748**	4,972,532	**69,404**	365,575
Other receivables	**1,008,993**	3,121,635	**112,074**	63,077
Total other receivables	**6,660,741**	8,094,167	**181,478**	428,652
Total trade and other receivables (net)	**6,754,376**	8,287,337	**246,145**	602,193

Note 4C: Financial Assets

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Financial assets held as available for sale investments [1]	**1,743,932**	1,564,051	–	–
Financial assets held to maturity [2]	**2,884,009**	1,959,009	**925,000**	-
Total financial assets	**4,627,941**	3,523,060	**925,000**	–

1. The financial investments are reflected at market value. These investments are made in liquid funds and the banks provide advice as to the investment strategy. These mainly relate to investments in managed funds, equity, shares and cash. The financial assets have been classified as available for sale as these investments are not held for short term gains, or have fixed payments, and are neither held to maturity.
2. Financial assets held to maturity are held as term deposits with major banks.

Note 5 Non-current Assets

Note 5A: Land and buildings

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Land and buildings:				
fair value	**12,295,770**	11,670,000	-	-
at cost	-	511,986		
accumulated depreciation	**(118,213)**	(12,800)	-	-
Total land and buildings	**12,177,557**	12,169,186	-	-

Reconciliation of the Opening and Closing Balances of Land and Buildings

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
As at 1 July				
Gross book value	**12,181,986**	6,521,047	-	-
Accumulated depreciation and impairment	**(12,800)**	-	-	-
Net book value 1 July	**12,169,186**	6,521,047	-	-
Additions:				
By purchase	**95,770**	2,870,420	-	-
From acquisition of entities (including restructuring)	-	-	-	-
Revaluations	**40,600**	2,869,480	-	-
Impairments	-	-	-	-
Depreciation expense	**(127,999)**	(91,761)	-	-
Other movement	-	-	-	-
Disposals:				
From disposal of entities (including restructuring)	-	-	-	-
Other	-	-	-	-
Net book value 30 June	**12,177,557**	12,169,186	-	-
Net book value as of 30 June represented				
Gross book value	**12,295,770**	12,181,986	-	-
Accumulated depreciation and impairment	**(118,213)**	(12,800)	-	-
Net book value 30 June	**12,177,557**	12,169,186	-	-

In 2013 370 Degrees invested in a major refurbishment of it's principal place of business in Lygon Street, at a total cost of $4.1m, $2.87m of which was incurred in the financial year ended 30 June 2013 (2012: $0.35m). The balance of $0.90m was committed for and paid post year end. In addition $0.7m was capitalised in relation to fixtures and fittings. This was funded partly through government grants of $2.35m (received partly in 2013 and partly in 2014) and an additional grant of $0.35m for fixtures and fittings.

Note 5 Non-current Assets (cont'd)

Note 5A: Land and buildings (cont'd)

Fair value of Land & Buildings

For the Land & Buildings carried at fair value, the following fair valuations have been carried out:

Entity	Fair Value as per independent valuation	Year of revaluation	Type of Valuation	Valuation method
370 Degrees Lygon Street	9,000,000	2013	Independent Valuation	"Direct Comparison Approach" for Land and Depreciated replacement costs for Building
370 Degrees Brunswick Street	2,670,000	2013	Independent Valuation	"Direct Comparison Approach" for Land and Depreciated replacement costs for Building"
ECA Training Pty Ltd	530,000	2014	Independent Valuation	"Capitalisation of net income, Direct Comparision approach.

370 Degrees Limited

In 2013 the land and building of 370 Degrees were valued by C Petrocco (Certified Practising Valuer) of Charter Keck Kramer, with the land valued using a direct comparison approach and buildings using a depreciated replacement cost approach.

The result was the Lygon Street property being valued at $9m and the Brunswick Street property being valued at $2.67m.

ECA Training Pty Ltd

Fair value of ECA Training Pty Ltd property was determined using the Capitalisation of net income and Direct Comparision method. This means that valuations performed by the valuer are based on active market prices adjusted for difference in the nature, location or condition of the specific property. As at the date of revalation 9th April 2014, the properties fair value are based on valuations performed by Ronil Besele (Certified Practising Valuer) from Herron Todd White in Canberra.

The split of the value between land and buildings is disclosed in the table below:

	Land $000	Buildings $000	Total $000
Lygon Street	4,500	4,500	9,000
Brunswick Street	700	1,970	2,670
ECA Training	-	530	530
	5,200	7,000	12,200

Note 5 Non-current Assets (cont'd)

Note 5A: Land and buildings (cont'd)

The Lygon Street Property has been used as a security for a bank overdraft with the Commonwealth Bank of $1m. As at 30 June 2014 the balance of the overdraft was $nil (2013:$nil).

The following table provides an analysis of the land and buildings that are measured at fair value, by fair value hierarchy:

Assets measured at fair value	**Date of valuation** $	**Level 1** $	**Level 2** $	**Level 3** $
Land- Lygon Street	Sep-13		4,500,000	
Land- Brunswick Stret	Sep-13		700,000	
Building- Lygon Street	Sep-13		4,500,000	
Building- Brunswick street	Sep-13		1,970,000	
Land & Building Yallourn Street, Fyshwick	Apr-14		530,000	

	Consolidated		Parent	
	2014	2013	**2014**	2013
	$	$	**$**	$

Note 5 Non-current Assets (cont'd)

Note 5B: Plant and equipment

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Plant and equipment:				
at cost	**4,623,828**	4,407,746	**101,974**	101,974
accumulated depreciation	**(3,182,874)**	(2,941,158)	**(94,517)**	(83,347)
Total plant and equipment	**1,440,954**	1,466,588	**7,457**	18,627

Reconciliation of the Opening and Closing Balances of Plant and Equipment

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
As at 1 July				
Gross book value	**4,407,746**	3,985,973	**101,974**	233,619
Accumulated depreciation and impairment	**(2,941,158)**	(2,844,320)	**(83,347)**	(217,281)
Net book value 1 July	**1,466,588**	1,141,653	**18,627**	16,338
Additions:				
By purchase	**409,570**	1,042,033	**-**	15,391
From acquisition of entities (including restructuring)	**-**	-	**-**	-
Impairments	**-**	-		
Depreciation expense	**(366,230)**	(380,503)	**(11,170)**	(13,102)
Other movement	**-**	-	**-**	-
Disposals:				
From disposal of entities (including restructuring)	**-**	-	**-**	-
Other	**(68,974)**	(336,595)		
Net book value 30 June	**1,440,954**	1,466,588	7,457	18,627
Net book value as of 30 June represented				
Gross book value	**4,623,828**	4,407,746	**101,974**	101,974
Accumulated depreciation and impairment	**(3,182,874)**	(2,941,158)	**(94,517)**	(83,347)
Net book value 30 June	**1,440,954**	1,466,588	**7,457**	18,627

Note 5 Non-current Assets (cont'd)

Note 5C: Intangibles

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Computer software at cost:				
internally developed	**116,050**	116,050	-	-
purchased	-	-	-	-
accumulated amortisation	**(78,808)**	(45,996)	-	-
Total intangibles	**37,242**	70,054	-	-

Reconciliation of the Opening and Closing Balances of Intangibles

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
As at 1 July				
Gross book value	**116,050**	86,850	-	-
Accumulated amortisation and impairment	**(45,996)**	(15,235)	-	-
Net book value 1 July	**70,054**	70,054	-	-
Additions:				
By purchase	-	29,200	-	-
From acquisition of entities (including restructuring)	-	-	-	-
Impairments	-	-	-	-
Amortisation	**(32,812)**	(30,761)	-	-
Other movements	-	-	-	-
Disposals:				
From disposal of entities (including restructuring)	-	-	-	-
Other	-	-	-	-
Net book value 30 June	37,242	**70,054**	-	-
Gross book value	**116,050**	116,050		
Accumulated amortisation and impairment	**(78,808)**	(45,996)	-	-
Net book value 30 June	37,242	70,054	-	-

	Consolidated		Parent	
	2014	2013	**2014**	2013
	$	$	**$**	$

Note 5D: Other Investments

Deposits	-	-	-	-
Other	-	-	**104**	104
Total other investments	-	-	**104**	104

(a) Other investments				
Subsidiary - 370 Degrees Group Ltd (a)	-	-	-	-
Subsidiary - NECA Legal Pty Ltd	-	-	**100**	100
Subsidiary - ECA Training Pty Ltd	-	-	**2**	2
Subsidiary - Australian Cabler Registration Pty Ltd	-	-	**2**	2
Subsidiary - NECA Training Ltd (a)	-	-	-	-
	-	-	**104**	104

(a) NECA Training Ltd and 370 Degrees Group Ltd are companies limited by guarantee. Hence these entities do not have any share capital.

Note 5E: Deferred Tax Assets

Deferred Tax Assets	**287,840**	254,617	-	-
Total deferred tax assets	**287,840**	254,617	-	-

Note 5F: Income Tax

Australian Cabler Registration Pty Ltd (ACRS) is the only tax paying entity within the consolidated group.

The income tax expense for the consolidated group is calculated as follows:

(1) Primafacie Tax on loss from ordinary activities before income tax at 30% (2013: 30%) (ACRS Loss for 2014: $120,134; 2013: $126,450)	**(36,040)**	(37,935)	-	-
- Over provision of tax from prior periods	**2,817**	6,377	-	-
- Other non deductable expenses	-	(2,631)	-	-
Income tax attributable to the entity	**(33,223)**	(34,189)	-	-

(2) The components of tax expense comprise:				
- Current tax expense	-	-	-	-
- Deferred tax expense	**(33,223)**	(34,189)	-	-
Aggregate income tax benefit/(expense)	**(33,223)**	(34,189)	-	-

	Consolidated		Parent	
	2014	2013	**2014**	2013
	$	$	**$**	$

Note 5F: Income Tax (cont'd)

(3) Deferred Tax Asset balance

This balance comprises temporary differences attributable to:

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
- Accruals	**2,550**	2,205	-	-
- Deferred income	**236,237**	221,126	-	-
- Differential on depreciation of property, plant and equipment	**3,806**	646	-	-
- Provisions	**9,868**	6,035	-	-
- Tax losses	**35,379**	24,605	-	-
Total deferred tax asset balance	**287,840**	254,617	-	-

Note 6 Current Liabilities

Note 6A: Trade payables

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Trade creditors and accruals	**1,355,422**	3,545,440	**202,241**	129,553
Subtotal trade creditors	**1,355,422**	3,545,440	**202,241**	129,553
Payables to other reporting units				
Victorian Chapter	**257,781**	268,897	-	-
Queensland Chapter	-	11,000	-	-
New South Wales Chapter	**763,124**	864,372	**1,178**	154,387
Western Australia Chapter	-	41,004	-	41,004
Subtotal payables to other reporting	**1,020,905**	1,185,273	**1,178**	195,391
Total trade payables	**2,376,327**	4,730,713	**203,419**	324,944

Settlement is usually made within 30 days.

Note 6B: Other payables

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Consideration to employers for payroll deductions	-	-	-	-
Legal costs	-	-	-	-
Prepayments received/uneamed revenue	**1,650,066**	934,015	**815,725**	184,668
GST payable	**718,351**	650,356	**17,860**	39,866
Other	**1,004,443**	877,393	**26,625**	20,676
Total other payables	**3,372,860**	2,461,764	**860,210**	245,210
Total other payables are expected to be settled in:				
No more than 12 months	**3,372,860**	2,461,764	**860,210**	245,210
More than 12 months	-	-	-	-
Total other payables	**3,372,860**	2,461,764	**860,210**	245,210

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $

Note 7 Provisions

Note 7A: Employee Provisions

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Office Holders:				
Annual leave	**8,376**	148,262	**8,376**	148,262
Long service leave	**413**	120,463	**413**	120,463
Separations and redundancies	-	-	-	-
Other	-	56,054	-	56,054
Subtotal employee provisions—office	**8.789**	324,779	**8,789**	324,779
Employees other than office holders:				
Annual leave	**2,511,060**	2,190,489	**9,566**	20,962
Long service leave	**391,046**	403,102	**25,873**	47,339
Separations and redundancies	-	317,600	-	-
Other	**429,608**	462,195	**18,369**	25,009
Subtotal employee provisions—employees	**3,331,714**	3,373,386	**53,808**	93,310
Total employee provisions	**3,340,503**	3,698,165	**62,597**	418,089
Current	**3,191,834**	3,593,243	**59,926**	411,231
Non Current	**148,669**	104,922	**2,671**	6,858
Total employee provisions	**3,340,503**	3,698,165	**62,597**	418,089

Note 8 Equity

Note 8A: General Funds

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Asset Revaluation Reserve				
Balance as at start of year	**2,898,736**	29,256	-	-
Gain on revaluation of land & buildings	**40,600**	2,869,480	-	-
Transferred to reserve	-	-	-	-
Transferred out of reserve	-	-	-	-
Balance as at end of year	**2,939,336**	2,898,736	-	-
Total Reserves	**2,939,336**	2,898,736	-	-

The asset revaluation reserve records unrealised gains on revaluation of property, plant and equipment recorded at fair value.

Note 9 Cash Flow

Note 9A: Cash Flow Reconciliation

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Reconciliation of profit/(deficit) to net cash from operating activities:				
Profit/(deficit) for the year	**1,355,921**	1,149,140	**(14,574)**	(232,960)
Adjustments for non-cash items				
Depreciation/amortisation	**527,041**	503,025	**11,170**	13,102
Doubtful Debts/Bad Debts written off	**741,257**	108,695	**-**	-
Share of Profit of Associate	**-**	-	**-**	-
Loss on write off of investment in associate	**-**	243,498	**-**	243,498
Related party loan forgiven	**-**	-		-
Gain on disposal of assets	**(23,881)**	(1,798)	**-**	-
Changes in assets/liabilities				
(Increase)/decrease in net receivables	**759,515**	(1,912,839)	**356,048**	(384,588)
(Increase)/decrease in prepayments/other receivables	**-**	(161,047)	**-**	-
Increase/(decrease) in supplier payables	**(2,355,418)**	2,675,075	**(121,525)**	173,745
Increase/(decrease) in other payables	**911,096**	88,605	**615,000**	63,779
Increase/(decrease) in employee provisions	**(357,662)**	426,372	**(355,492)**	20,508
Increase/(decrease) in other provisions	**-**	(1,730)	**-**	-
Net cash from (used by) operating	**1,557,869**	3,116,996	**490,627**	(102,916)

Note 9B: Cash flow information

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Cash inflows				
Victorian Chapter	**567,981**	631,492	**552,965**	397,152
Queensland Chapter	**115,983**	72,654	**108,642**	72,654
Tasmanian Chapter	**73,892**	29,046	**31,435**	16,826
New South Wales Chapter	**746,184**	523,282	**499,028**	377,710
Australian Capital Territory Chapter	**66,485**	36,733	**62,120**	36,733
South Australian Chapter	**143,192**	109,706	**143,192**	109,706
Western Australian Chapter	**376,069**	210,506	**376,069**	210,506
Total cash inflows	**2,089,786**	1,613,419	**1,773,451**	1,221,287
Cash outflows				
Victorian Chapter	**731,248**	449,846	**644,886**	364,328
Queensland Chapter	**145,523**	127,288	**460**	4,278
Tasmanian Chapter	**1,500**	240	**840**	-
New South Wales Chapter	**1,468,094**	769,016	**878,794**	536,084
South Australian Chapter	**255,881**	145,987	**255,881**	145,987
Western Australian Chapter	**221,410**	134,072	**221,410**	134,072
Total cash outflows	**2,823,656**	1,626,449	**2,002,271**	1,184,749

Note 10 Contingent Liabilities, Assets and Commitments

Note 10A: Commitments and Contingencies

Operating lease commitments—as lessee

The reporting unit has an operating lease commitment in respect of its motor vehicle fleet. Future minimum rentals payable under non-cancellable operating leases as at 30 June are as follows:

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Within one year	**144,352**	132,484	-	-
After one year but not more than five years	**130,774**	104,171	-	-
More than five years	-	-	-	-
	275,126	236,655	-	-

Capital commitments

At 30 June 2013 the entity had commitments of $0.9m relating to the refurbishment of the Lygon St property owned by 370 Degrees. At 30 June 2014 the entity had nil capital commitments.

	Consolidated		Parent	
	2014	2013	**2014**	2013
	$	$	**$**	$

Note 11 Related Party Disclosures

Note 11A: Related Party Transactions for the Reporting Period

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

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

Revenue received from the following related parties includes:

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Capitation Fees				
VIC Chapter	**345,781**	326,907	**345,781**	326,907
NSW Chapter	**298,005**	297,055	**298,005**	297,055
WA Chapter	**213,840**	204,877	**213,840**	204,877
SA Chapter	**88,759**	89,436	**88,759**	89,436
ACT Chapter	**27,725**	25,396	**27,725**	25,396
TAS Chapter	**12,089**	11,560	**12,089**	11,560
Total Capitation Fees	**986,199**	955,231	**986,199**	955,231
Grants Received				
NSW Chapter	-	100,000	-	-
Total Grants Received	-	100,000	-	-
Other Revenue/Other Income				
VIC Chapter	**72,622**	19,128	**50,386**	-
NSW Chapter	**296,866**	17,288	**52,885**	-
WA Chapter	**24,858**	4,227	**24,858**	4,227
SA Chapter	**15,337**	-	**15,337**	-
ACT Chapter	**8,097**	-	**3,556**	-
TAS Chapter	**36,660**	21,276	**1,519**	3,736
QLD Chapter	**8,433**	500	**6,668**	-
Total Other Revenue/Other Income	**462,873**	62,419	**155,209**	7,963
Total Revenue received from Related Parties	**1,449,072**	1,117,650	**1,141,408**	963,194

Note 11 Related Party Disclosures (cont'd)

Note 11A: Related Party Transactions for the Reporting Period (cont'd)

Expenses paid to the following related parties includes:

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
VIC Chapter	**713,811**	421,775	**650,552**	252,192
NSW Chapter	**1,142,725**	822,588	**659,735**	627,154
WA Chapter	**161,506**	159,192	**161,506**	159,192
SA Chapter	**232,619**	132,726	**232,619**	132,726
ACT Chapter	**-**	4,282	**-**	-
TAS Chapter	**1,364**	218	**764**	-
QLD Chapter	**121,875**	122,372	**-**	545
Total Expenses paid to Related Parties	**2,373,900**	1,663,153	**1,705,176**	1,171,809

Amounts owed by related parties:

Refer to Note 4B for amounts owed by related parties

Amounts owed to related parties:

Refer to Note 6A for amounts owed to related parties

Loans from/to NECA NSW includes the following:

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Loan to NECA Legal Pty Ltd	**687,458**	687,458	**-**	-

Assets transferred from/to related parties includes the following:

There were no assets transferred from/to related parties during the financial year (2013: $nil)

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 2014, the Association has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2013: $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.

Note 11 Related Party Disclosures (cont'd)

Note 11B: Key Management Personnel Remuneration for the Reporting Period

	Consolidated		Parent	
	2014	2013	**2014**	2013
	$	$	**$**	$
Short-term employee benefits				
Salary (including annual leave taken)	**919,834**	640,231	**453,926**	279,275
Annual leave accrued	**8,376**	148,262	**8,376**	148,262
Directors Remuneration	**78,000**	47,750	**-**	-
Performance bonus	**-**	-	**-**	-
Other Leave Accrued	**-**	56,054	**-**	56,054
Total short-term employee benefits	**1,006,210**	892,297	**462,302**	483,591
Post-employment benefits:				
Superannuation	**110,051**	83,728	**65,075**	25,135
Total post-employment benefits	**110,051**	83,728	**65,075**	25,135
Other long-term benefits:				
Long-service leave	**413**	120,463	**413**	120,463
Total other long-term benefits	**413**	120,463	**413**	120,463
Termination benefits	**-**	-	**-**	-
Total	**1,116,674**	1,096,488	**527,790**	629,189

Note 11C: Transactions with key management personnel and their close family members

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

There were no loans to/from key management personnel or other transactions with key management personnel.

Note 12 Remuneration of Auditors

	Consolidated 2014 $	Consolidated 2013 $	Parent 2014 $	Parent 2013 $
Value of the services provided				
Crowe Horwath				
Audit of NECA National & ACRS	**21,377**	19,850	**13,650**	12,500
Other services	**25,993**	41,993	**21,993**	37,243
Wearne & Co				
Audit of NECA Training Ltd, NECA Legal P/L & ECA Training P/L	**27,696**	26,050	-	-
Other services	-	-	-	-
Stannards				
Audit of 370 Degrees	**21,075**	14,800	-	-
Other services	-	-	-	-
Total remuneration of auditors	**96,141**	102,693	**35,643**	49,743

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

Note 13 Financial Instruments

The main risks the reporting unit and it's controlled entities 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 reporting unit and it's controlled entities financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, bank loans and overdrafts, loans to and from subsidiaries.

The totals for each category of financial instruments, measured in accordance with AASB 139, as detailed in the accounting policies to these financial statements, are as follows:

	Note	Consolidated 2014 $	2013 $
Financial Assets			
Cash and cash equivalents	4A	**5,929,792**	5,889,291
Available for sale financial assets	4C	**1,743,932**	1,564,051
Financial assets held to maturity	4C	**2,884,009**	1,959,009
Trade and other receivables	4B	**6,754,376**	8,287,337
Total financial assets		**17,312,10**	17,699,688
Financial Liabilities			
Financial liabilities at amortised cost			
Trade payables	6A	**2,376,327**	4,730,713
Other payables	6B	**3,372,860**	2,461,764
Bank overdraft		**-**	-
Total financial liabilities		**5,749,187**	7,192,477

Financial risk management policies

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

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

The day-to-day risk management is carried out 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.

National Electrical Contractors Association (NECA) does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Mitigation strategies for specific risks faced are described below:

Note 13 Financial Instruments (cont'd)

Note 13A: 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 Association's receivables.

Credit risk exposures

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

The Association has no significant concentration of credit risk with any single counterparty or Association of counterparties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 4B.

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 4B.

Note 13B: Liquidity risk

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

Note 13C: Liquidity Risk - financial liability and asset maturity analysis

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

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

Note 13 Financial Instruments (cont'd)

Note 13C: Liquidity Risk - financial liability and asset maturity analysis (cont'd)

Financial liability maturity analysis - Non-derivative

Consolidated	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
	$	$	$	$	$	$	$	$
Financial liabilities due for payment								
Trade and other payables	**5,749,187**	7,192,477	-	-	-	-	**5,749,187**	7,192,477
Bank overdraft	-	-	-	-	-	-	-	-
Total contractual outflows	**5,749,187**	7,192,477	-	-	-	-	**5,749,187**	7,192,477

The timing of expected outflows is not expected to be materially different from contracted cashflows.

Note 13D: Market risk

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

The Association's financial instruments portfolio as impacting market risk:

	Note	Consolidated 2014	2013
		$	$
Cash at bank @ floating rate	4A	**5,929,792**	5,889,291
Financial assets held as available for sale	4C	**1,743,932**	1,564,051
Financial assets held to maturity	4C	**2,884,009**	1,959,009
		10,557,733	9,412,351

The available for sale financial assets are broken down into the following indirectly held investments:

Note 13 Financial Instruments (cont'd)

Note 13D: Market risk (cont'd)

	Consolidated				
2014	**Fixed Interest**	**Cash @ Floating Rate**	**Managed Investments**	**Equities**	**Total**
	$	**$**	**$**	**$**	**$**
ECA Training Pty Ltd	**-**	**170,265**	**1,343,086**	**230,581**	**1,743,932**
	-	**170,265**	**1,343,086**	**230,581**	**1,743,932**
2013					
ECA Training Pty Ltd	-	185,516	1,094,756	283,779	1,564,051
	-	185,516	1,094,756	283,779	1,564,051

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 Association is affected by interest rate risk due to its directly held cash balances. The Association does not have any floating rate debt instruments for both 2014 and 2013. The exposure to interest rate risk has a direct impact on the Statement of Comprehensive Income and Statement of Financial Position of the Association.

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 Association's St George's Asgard Ewrap investment account and the JB Were Investments 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 below in note **(i)**: 'Other Price Risk'.

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.

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 Association's St George's investment account 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 below in note **(i)** Other Price Risk.

Note 13 Financial Instruments (cont'd)

Note 13D: Market risk (cont'd)

The following table illustrates sensitivities to the Association'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.

	Consolidated	
	Profit	Equity
	$	$
Year ended 30 June 2014		
+/- 2% in interest rates	**148,760**	**148,760**
Year ended 30 June 2013		
+/- 2% in interest rates	147,936	147,936

i. Other Price risk

A large proportion of the financial instrument investments held by the Association are exposed to other price risk as a result of the Association's exposure to equity securities (those indirectly held investments at available for sale via St George'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 St George's strategic asset allocation policy, meaning that the other price risk exposure is understood.

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 St George's strategic asset allocation policy).

The table below summarises the impact of increases/decreases of the abovementioned investment exposures on the Association'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 Association'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.

Note 13 Financial Instruments (cont'd)

Note 13D: Market risk (cont'd)

	Consolidated	
	Profit	Equity
	$	$
Year ended 30 June 2014		
+/- 3% in RBA cash rate	**+/- 5,108**	**+/- 5,108**
+/- 5% in ASX All ordinaries Index	**+/- 78,683**	**+/- 78,683**
Year ended 30 June 2013		
+/- 3% in RBA cash rate	+/- 5,565	+/- 5,565
+/- 5% in ASX All ordinaries Index	+/- 68,297	+/- 68,297

Note 13E: Fair Value of Financial Instruments

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the Statement of Financial Position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Consolidated	**2014**		**2013**	
	Net Carrying Value	**Net Fair value**	**Net Carrying Value**	**Net Fair value**
	$	**$**	**$**	**$**
Financial assets				
Cash and cash equivalents	**5,929,792**	**5,929,792**	5,889,291	5,889,291
Trade and other receivables	**6,754,376**	**6,754,376**	8,287,337	8,287,337
Investments at market value	**4,627,941**	**4,627,941**	3,523,060	3,523,060
Total financial assets	**17,312,109**	**17,312,109**	17,699,688	17,699,688
Financial liabilities				
Trade and other payables	**5,749,187**	**5,749,187**	7,192,477	7,192,477
Bank overdraft	**-**	**-**	-	-
Total financial liabilities	**5,749,187**	**5,749,187**	7,192,477	7,192,477

Note 13 Financial Instruments (cont'd)

Note 13E: Fair Value of Financial Instruments (cont'd)

Fair value measurements categorised by fair value hierarchy—Consolidated

The following table provides an analysis of financial instruments that are measured at fair value, by valuation method.

The different levels are defined below:

Level 1: Fair value obtained from unadjusted quoted prices in active markets for identical instruments.

Level 2: Fair value derived from inputs other than quoted prices included within Level 1 that are observable for the instrument, either directly or indirectly.

Level 3: Fair value derived from inputs that are not based on observable market data.

Fair value hierarchy for financial assets

	Level 1		Level 2		Level 3	
	2014	2013	**2014**	2013	**2014**	2013
Available for sale						
Cash	**170,265**	185,516	-	-	-	-
Managed Investments	**1,343,086**	1,094,756	-	-	-	-
Equities	**230,581**	283,779	-	-	-	-
Total	**1,743,932**	1,564,051	-	-	-	-

Note 13F: Capital Management

Capital is defined as the Association's total equity comprising retained earnings and the asset revaluation reserve. It is the Committee's policy to maintain a strong capital base so as to maintain member, stakeholder, creditor, market confidence and to sustain future development of the business. Capital management plays a central role in managing risk to create member value whilst also ensuring that the interests of all stakeholders including investors, policy holders, lenders and regulators are met.

Capital finances growth, capital expenditure and business plans and also provides support if adverse outcomes arise from health insurance, investment performance or other activities. The appropriate level of capital is determined by the Board on both regulatory and economic considerations.

There were no changes in the Association's approach to capital management during the year.

	Consolidated		Parent	
	2014	2013	**2014**	2013
	$	$	$	$
Note 13G: Net Income and Expense from Financial Assets				
Available for sale				
Interest revenue	**208,998**	158,766	-	-
Unrealised Losses	**(29,117)**	(28,515)	-	-
Net gain/(loss) from available for sale	**179,881**	130,251	-	-

Note 14 Investments in Subsidiaries and Associates

Interests are held in the following entities:

Name	Country of Incorporation	Ownership Interest*	
		2014	2013
		%	%
Subsidiaries:			
Australian Cabler Registration Service Pty Ltd (a)	Australia	**100**	100
370 Degrees Group Ltd (b)	Australia	**100**	100
ECA Training Pty Ltd	Australia	**100**	100
NECA Training Ltd	Australia	**100**	100
NECA Legal Pty Ltd	Australia	**100**	100
Entities 50% owned but not consolidated:			
Elecnet (Australia) Pty Ltd (c)	Australia	**50**	50
Master Energy Contractors Australia Pty Ltd (d)	Australia	**100**	100
Entities owned greater than 20% but not equity accounted for:			
Protect Services Pty Ltd (e)	Australia	**25**	25

(a) ACRS has been consolidated as NECA is the sole shareholder and has majority at the board, and therefore NECA controls ACRS.

(b) 370 Degrees Group Ltd is a NECA controlled entity for the purposes of the parent entity separate and consolidated group financial reports. NECA is the sole member of 370 Degrees Group Ltd and has the power to govern its financial and reporting policies. The constitution for 370 Degrees 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 370 Degrees is entitled to enjoy income tax exemption status. Consequently, unless the constitution of 370 Degrees is changed and the company's tax status rescinded, at no time now or in the future will NECA be entitled to share in the financial performance of 370 Degrees in the usual parent / subsidiary relationship.

(c) Although NECA has 50% ownership, it does not have the majority at the board. In addition, the Scheme has been set up for the benefit of its members and not NECA. The purpose of the Scheme is for employer groups to contribute to the Scheme and hold monies in trust for its members until e.g. redundancies or terminations. No monies are distributed to NECA directly. Further, there is no risk to NECA of an unfunded Scheme position (contingent liability) given that employers are funding the scheme. Hence, there is neither control nor significant influence.

(d) Master Energy Contractors is a non-operating entity.

(e) Protect Services Pty Ltd has been set up for the benefits of its members and not NECA. The purpose of the Scheme is for employer groups to contribute to the Scheme and hold monies in trust for its members until e.g. redundancy and terminations. No monies are distributed to NECA directly. Further, there is no risk to NECA of an unfunded scheme position (contingent liability) given that employers are funding the scheme. Hence NECA does not have significant influence on this entity.

Note 15 Events after Balance Sheet Date

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

In relation to the controlled entities, the directors of 370 Degrees approved the potential sale of the Brunswick Road property at the board meeting held on 26 August 2014. It is possible the sale will take place during the financial year ending 30 June 2015.

Note 16 Contingent Liabilities

Financial Support

NECA National Office has provided a letter of financial support to NECA Queensland, NECA Legal Pty Ltd, NECA Training Ltd and Australian Cabler Registration Service Pty Ltd to repay their debts should any of these entities fail to repay them.

NECA National Office has not received any financial support from other reporting units during the financial year.

Note 17 Association Details

The principal place of business of the association is:

National Electrical Contractors Association – National Office
Level 4, 30 Atchison St
St Leonards NSW 1590

Note 18 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 the General Manager

(1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application made under subsection (1).

Note 19 Recovery of Wages Activity

There was no recovery of wage activity undertaken by the reporting unit during the financial year.

Note 20 Business Combinations

The reporting unit did not acquire any asset or liability during the financial year as a result of:

a) an amalgamation under Part 2 of Chapter 3, of the RO Act in which the organisation (of which the reporting unit forms part) was the amalgamated organisation; or

b) a restructure of the branches of the organisation; or

c) a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation; or

d) a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245(1),