



national  
electrical and  
communications  
association

NEW SOUTH WALES CHAPTER

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24 November 2011

FR 2011/2601



Tribunal Services and Organisations  
Fair Work Australia  
GPO Box 1994  
MELBOURNE VIC 3001

Dear Sir

I enclose the following documents for your consideration:

- Designated Officer's Certificate pursuant to the Workplace Relations Act 1996.
- Financial statements of the National Electrical Contractors Association (ACT Chapter) for the year ending on 30 June 2011.

Yours sincerely

L G Le Compte  
Secretary  
ACT Chapter

**Designated Officer's Certificate**  
s.268 of Schedule 1 Workplace Relations Act 1996

I, Lindsay Graham Le Compte being the secretary of the National Electrical Contractors Association (ACT Chapter) certify:

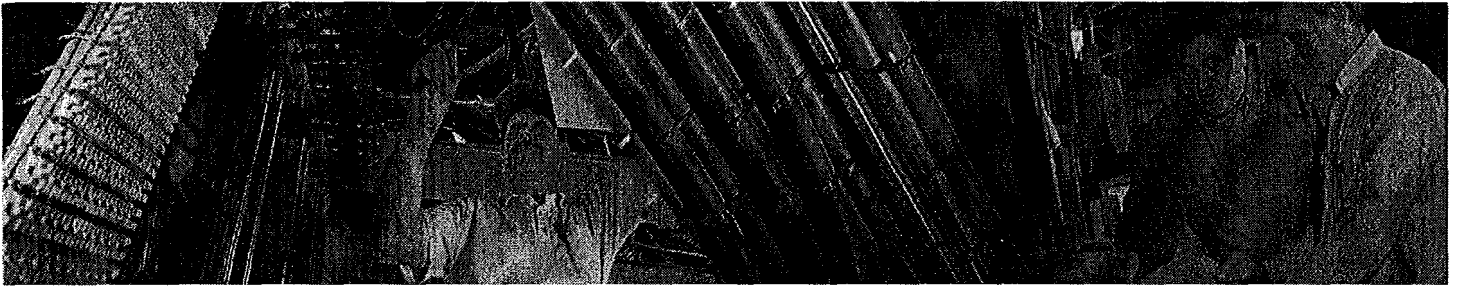
- That the documents lodged herewith are copies of the full report referred to in s.268 of the RAO Schedule; and
- That the full report was provided to members on 27 October 2011, and
- That the full report was presented to a general meeting of members of the reporting unit on 17 November 2011, in accordance with section 266 of the RAO Schedule.

Signature:



Date:

24/11/11



# NECA ACT ANNUAL REPORT

2010/2011



national  
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## PRESIDENT'S ANNUAL REVIEW FOR THE 2010/2011 FINANCIAL YEAR

The 2010/2011 financial year was another successful one for the ACT Chapter of NECA notwithstanding the ups and downs of our economy and the sometimes stop/start approach to major projects.

While the ACT economy has been quite resilient over recent years, and most NECA members have been able to maximise the available work, there are again signs of instability that send a message to our industry to be careful and to watch their cash flow arrangements.

Even the ACT is now impaired by the solar rebate debacle that has unfolded in other states and our Government has similarly pulled the plug on the rebate scheme despite providing assurances to the contrary. Nevertheless, NECA believes that the renewable energy industry has a sound future as new products and systems are developed.

We continued our involvement over the year as a key member of both the ACT Business Council and ACT and Region Chamber of Commerce and Industry. These organisations provide local industry with an extra voice within government and commercial circles and these business organisations have assisted us in many ways.

The new security of payment legislation has now had a period of time to settle in but there is still much more work to do to ensure that our industry receives the benefit of the legislation through ensuring that payments are made and business cashflows supported.

Our legal firm, NECA Legal, continues to assist members with commercial contracting issues as well as with debt recovery and security of payment matters. The lawyers available to NECA are industry experts and their success rate is high. It is a real bonus for an industry to have access to legal and commercial advice from people who understand our industry.

I wish to take this opportunity to again pay tribute to the members of your Executive Committee who have given up so much of their personal time to guide the Chapter through the year. The other members of the Executive Committee during the year were:

- Robert Donnelly (Vice President)
- Stephen Buckley
- Paul Hardinge
- Peter Hart (Executive Member)
- Steven Pattrick

I would also like to express my appreciation to Lindsay Le Compte, our Chapter Secretary, Barry Dawson and the Board of NECA Group Training for their support of

our apprentices and to David Scott and staff for the excellent work in keeping us up to date and addressing our individual issues during the year.

We continue our excellent relationship with Stephen Griffiths, President of the NECA NSW Chapter, and the members of the NSW Executive Committee. We continue to receive great support from our national Chief Executive, James Tinslay, and his team in the NECA National Office as well as the other NECA Chapters.

The business partners who support NECA and the industry as a whole are also deserving of our thanks. We look forward in 2011/2012 to further enhancing our relationship with a wide range of organisations to develop and support the industry.

This will really leave no excuse for not undertaking those development opportunities that focused training will provide.

We will be continuing our drive for new members and introducing additional services for our members.

We believe that electrical contractors are quite capable, as is the situation in NSW, of undertaking a range of contestable works and that this will not only benefit the industry but consumers as well. We will be increasing our efforts with the ACT Government to release the restrictions on the undertaking of what should be contestable works.

We will also be pursuing the Government for more effective operations within the industry regulator and other government functions to reduce red tape and delay that has grown alarmingly over recent times.

Finally, I would like to take this opportunity to thank all members for their commitment to the Association and to give you NECA's commitment to further improve and widen the services that we provide to you.

I also urge you to contact your Association when you require any form of assistance because you will find that we will surprise you with the scope of our capacity to help you.



Greg Kempton  
**President**

**THE NATIONAL ELECTRICAL CONTRACTORS  
ASSOCIATION - ACT CHAPTER  
ABN 86 870 297 399**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2011**

**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
ABN 86 870 297 399**

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**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
ABN 86 870 297 399**

**EXECUTIVE COMMITTEE'S OPERATING REPORT**

Your Executive Committee Members submit the financial report of The National Electrical Contractors Association - ACT Chapter of for the financial year ended 30 June 2011.

**Executive Committee Members**

The names of the Executive Committee Members in office at anytime during or since the end of the year are:

Greg Kempton - President	01-07-2010 to 30-06-2011
Robert Donnelly - Vice President	01-07-2010 to 30-06-2011
Lindsay Le Compte (Secretary)	01-07-2010 to 30-06-2011
Stephen Buckley	01-07-2010 to 30-06-2011
Paul Hardinge	01-07-2010 to 30-06-2011
Peter Hart	01-07-2010 to 30-06-2011
Steven Pattrick	01-07-2010 to 30-06-2011

**Principal Activities**

The principal activities of the Association during the financial year were:

Representing the interests of its members in the electrotechnology industry.

**Significant Changes**

No significant change in the nature of these activities occurred during the financial year.

**Operating Result**

The profit after providing for income tax amounted to \$10,000.



**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
ABN 86 870 297 399**

**EXECUTIVE COMMITTEE'S OPERATING REPORT**

**Members Right 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, Resignation from Membership, of the Fair Work (Registered Organisations) ACT 2009.

**Significant Changes in State of Affairs**

No significant changes in the Association's state of affairs occurred during the financial year.

**NECA Membership**

As at 30 June 2011, there were 105 members of The National Electrical Contractors Association - ACT Chapter.

**NECA Employees**

As at 30 June 2011 there were no employees of The National Electrical Contractors Association - ACT Chapter.

**Trustee Position**

During the year no Executive Committee Members served as a trustee.

**After balance date events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operation of The National Electrical Contractors Association - ACT Chapter, the results of those operations or the state of affairs of The National Electrical Contractors Association - ACT Chapter in future financial years.

Signed in accordance with a resolution s of the Executive Committee, dated: *20 October 2011*



**Greg Kempton - President**



**Robert Donnelly - Vice President**

*Peter Hart - Committee Member*

**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
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**INCOME STATEMENT**

**FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Revenue	2	267,819	233,605
Other expenses		<u>(257,819)</u>	<u>(223,605)</u>
<b>Profit before income tax expense</b>		10,000	10,000
Income tax expense		<u>-</u>	<u>-</u>
<b>Profit for the year</b>		<u><u>10,000</u></u>	<u><u>10,000</u></u>
Profit attributable to members of the entity		<u><u>10,000</u></u>	<u><u>10,000</u></u>

The accompanying notes form part of these financial statements.

THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
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STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011 \$	2010 \$
Profit for the year		10,000	10,000
Other comprehensive income:			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		<u>10,000</u>	<u>10,000</u>
Total comprehensive income attributable to members of the entity		<u>10,000</u>	<u>10,000</u>

The accompanying notes form part of these financial statements.

**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER**  
**ABN 86 870 297 399**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2011**

	2011	2010
	\$	\$
<b>INCOME</b>		
Membership Subscription	110,102	97,475
Membership Services	-	4,243
Trivia night	-	31,600
Excellence Award	77,341	94,677
Advertising - Neca News	528	-
Sponsorship	61,000	-
MS - Insurance	4,033	-
Interest received	9,413	5,610
Other revenue	5,401	-
	<u>267,819</u>	<u>233,605</u>
 <b>LESS EXPENDITURE</b>		
Advertising	1,070	3,528
Auditors' remuneration	9,215	4,404
Bank charges	1,656	1,262
Consultancy fees	288	-
Courier	73	-
Donations	-	23,889
Excellence Award	129,725	114,408
Insurance	275	-
Legal costs	-	2,288
Meetings	6,155	6,660
Contributions to NECA NSW	79,203	47,348
Printing and stationery	8,022	1,015
Subscriptions - NECA National	21,932	18,804
Travelling expenses	206	-
	<u>257,819</u>	<u>223,605</u>
 <b>NET OPERATING PROFIT</b>	 10,000	 10,000
Retained profits at the beginning of the financial year	<u>138,922</u>	<u>128,922</u>
<b>TOTAL AVAILABLE FOR APPROPRIATION</b>	<u>148,922</u>	<u>138,922</u>
 <b>RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR</b>	 <u>148,922</u>	 <u>138,922</u>

The accompanying notes form part of these financial statements.

**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER**  
**ABN 86 870 297 399**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 30 JUNE 2011**

	Note	2011 \$	2010 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	216,892	249,852
Trade and other receivables	5	118,398	51,446
Other current assets	6	10,475	6,257
<b>TOTAL CURRENT ASSETS</b>		<u>345,766</u>	<u>307,554</u>
<b>TOTAL ASSETS</b>		<u><u>345,766</u></u>	<u><u>307,554</u></u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	17,131	16,902
Other	8	179,713	151,730
<b>TOTAL CURRENT LIABILITIES</b>		<u>196,843</u>	<u>168,632</u>
<b>TOTAL LIABILITIES</b>		<u><u>196,843</u></u>	<u><u>168,632</u></u>
<b>NET ASSETS</b>		<u><u>148,922</u></u>	<u><u>138,922</u></u>
<b>EQUITY</b>			
Retained profits		<u>148,922</u>	<u>138,922</u>
<b>TOTAL EQUITY</b>		<u><u>148,922</u></u>	<u><u>138,922</u></u>

The accompanying notes form part of these financial statements.

**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
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**STATEMENT OF CHANGES IN EQUITY  
AS AT 30 JUNE 2011**

	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2009</b>	128,922	128,922
<b>Comprehensive income</b>		
Profit attributable to members	10,000	10,000
<b>Total comprehensive income for the year</b>	<u>10,000</u>	<u>10,000</u>
<b>Balance at 30 June 2010</b>	<u>138,922</u>	<u>138,922</u>
<b>Balance at 1 July 2010</b>	138,922	138,922
<b>Comprehensive income</b>		
Profit attributable to members	10,000	10,000
<b>Total comprehensive income for the year</b>	<u>10,000</u>	<u>10,000</u>
<b>Balance at 30 June 2011</b>	<u>148,922</u>	<u>148,922</u>

The accompanying notes form part of these financial statements.

**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER**  
**ABN 86 870 297 399**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
<b>Cash flows from operating activities</b>			
Cash receipts from customers		258,406	227,995
Cash payment to suppliers		(300,779)	(185,586)
Interest received		9,413	5,610
<b>Net cash provided by (used in) operating activities</b>	<b>15</b>	<u>(32,960)</u>	<u>48,019</u>
Net increase (decrease) in cash held		(32,960)	48,019
Cash and cash equivalents at beginning of financial year		<u>249,852</u>	<u>201,833</u>
Cash and cash equivalents at end of financial year	<b>15</b>	<u><u>216,892</u></u>	<u><u>249,852</u></u>

The accompanying notes form part of these financial statements.

**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Registration and Accountability of Fair Work (Registered Organisations) Act 2009.

The financial report covers The National Electrical Contractors Association - ACT Chapter as an individual entity. The financial report of the ACT Chapter complies with all International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by The National Electrical Contractors Association - ACT Chapter in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

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

**(a) Income Tax**

No provision for income tax has been raised as the association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.



**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
ABN 86 870 297 399**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**(b) Financial Instruments**

**Initial recognition and measurement**

**Classification and subsequent measurement**

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

**(i) Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

**(c) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

**(d) Revenue and Other Income**

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Dividend revenue is recognised when the right to receive a dividend has been established.

Other revenue and distribution income is recognised when the right to receive the revenue has been established.

All revenue is stated net of the amount of goods and services tax (GST).

**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**(e) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(f) Comparative Figures**

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

**(g) Critical Accounting Estimates and Adjustments**

The Executive Committee Members evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the association.

**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**(h) New Accounting Standards for Application in Future Periods**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Association has decided not to early adopt. A discussion of those future requirements and their impact on the Association is as follows:

- AASB 9: Financial Instruments and AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards are applicable retrospectively and amend the classification and measurement of financial assets. The company has not yet determined any potential impact on the financial statements.

- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in the other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.
- AASB 2010-4: Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 and AASB 134 and AASB Interpretations 13] (applicable for annual reporting periods commencing on or after 1 January 2011).

These Standards detail numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's annual improvements project. No changes are expected to materially affect the company.

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards - Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

Since the Association is a not-for-profit private sector entity, it qualifies for the reduced disclosure requirements for Tier 2 entities. It is anticipated that the Association will take advantage of Tier 2 reporting at a later date.

**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

AASB 2010-2 makes amendments to Australian Accounting Standards and Interpretations to give effect to the reduced disclosure requirements for Tier 2 entities. It achieves this by specifying the disclosure paragraphs that a Tier 2 entity need not comply with as well as adding specific 'RDR' disclosures.

AASB 2010-5: Amendments to Australian Accounting Standards [AASBs 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 142] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. However these editorial amendments have no major impact on the requirements of the respective amended pronouncements.

AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 [December 2010][AASBs 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applies to periods commencing on or after 1 January 2013).

This Standard makes amendments to a range of Australian Accounting Standards and Interpretations as a consequence of the issuance of AASB 9: Financial Instruments in December 2010. Accordingly these amendments will only apply when the entity adopts AASB 9.

As noted above, the entity has not yet determined any potential impact on the financial statements from adopting AASB 9.

**(i) Controlled Entities**

Separate financial statements are prepared for any controlled entity. The ACT Chapter's financial statement and those of its controlled entities are consolidated in the financial statements of the economic entity "The National Electrical Contractors Association". Therefore, no consolidated financial statements are prepared at the ACT Chapter level.

**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER**  
**ABN 86 870 297 399**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
<b>2. REVENUE AND OTHER INCOME</b>			
Rendering of services		187,971	227,995
MS - Insurance	2(a)	4,033	-
Interest received	2(b)	9,413	5,610
Sponsorship		61,000	-
Other revenue		5,401	-
Total Revenue		<u>267,819</u>	<u>233,605</u>
<b>(a) MS - Insurance from:</b>			
Other corporations		<u>4,033</u>	<u>-</u>
<b>(b) Interest received from:</b>			
Other corporations		<u>9,413</u>	<u>5,610</u>
<b>3. AUDITORS' REMUNERATION</b>			
Auditors' remuneration		<u>9,215</u>	<u>4,404</u>
<b>4. CASH AND CASH EQUIVALENTS</b>			
Cash at bank		55,109	96,544
Cash Management Account		161,783	153,308
		<u>216,892</u>	<u>249,852</u>
<b>5. TRADE AND OTHER RECEIVABLES</b>			
<b>CURRENT</b>			
Trade receivables (Less Provision for Doubtful Debts - Nil)		114,833	49,446
Loan to NECA - QLD Chapter		1,485	-
Other debtors		2,080	2,000
		<u>118,398</u>	<u>51,446</u>
<b>6. OTHER ASSETS</b>			
<b>CURRENT</b>			
Deferred Costs		<u>10,475</u>	<u>6,257</u>

**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
<b>7. TRADE AND OTHER PAYABLES</b>			
<b>CURRENT</b>			
Trade creditors		5,462	5,825
Other creditors		11,669	11,077
		17,131	16,902
<b>8. OTHER LIABILITIES</b>			
<b>CURRENT</b>			
Accrued charges		28,374	21,133
Income in advance		151,339	130,598
		179,713	151,730

**9. EVENTS AFTER THE REPORTING PERIOD**  
No significant events have occurred after balance date.

**10. RELATED PARTY TRANSACTIONS**

**Related Parties**

The association's main related parties are as follows:

**(a) Key management personnel**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, is considered key management personnel.

**(b) Entities subject to significant influence by the association**

An entity which has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

**(c) Other related parties**

Other related parties include immediate family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel, individually or collectively with their immediate family members.

**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011	2010
		\$	\$
<b>(d) Transactions with related parties</b>			
No Remuneration was paid or payable to key management personnel.			
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.			
Executive Committee Members and their related entities are able to use the services provided by The National Electrical Contractors Association-ACT Chapter. Such services are made available on terms and conditions no more favourable than those available to all other members.			
<b>Revenue &amp; Expense Transactions</b>			
Contributions to NECA - NSW Chapter		79,203	47,348
Capitation Fees to NECA - NATIONAL		21,932	18,804
<b>Statement of Financial Position</b>			
Owing by NECA - QLD Chapter		1,485	-
<b>11. OPERATING SEGMENTS</b>			
The ACT Chapter of the Association primarily operates in ACT, Australia representing the interests of its members in the electrotechnology industry.			
<b>12. FINANCIAL RISK MANAGEMENT</b>			
<b>Financial Assets</b>			
Cash and cash equivalents		216,892	249,852
<b>Total Financial Assets</b>		<b>216,892</b>	<b>249,852</b>

**Financial Risk Management Policies**

**Specific Financial Risk Exposures and Management**

**(a) 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.

THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
ABN 86 870 297 399

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011

Note	2011	2010
	\$	\$

*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 group of counterparties.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality.

**(b) 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:

- Preparing forward looking cash flow analysis in relation to its operational investing and financing activities
- Only investing surplus cash with major financial institutions; and
- Proactively monitoring the recovery of unpaid subscriptions

**(c) Market risk**

*(i) Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Association is also exposed to earnings volatility on floating rate instruments.

**13. COMPANY DETAILS**

The registered office and principal place of business of the Association is:

The National Electrical Contractors Association - ACT Chapter  
Level 3, 28 Burwood Road  
Burwood NSW 2134

The principal activities of the company during the financial year were:  
representing the interests of its members in the electrotechnology industry.



**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
ABN 86 870 297 399**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
<b>14. MEMBER'S ACCESS TO FINANCIAL STATEMENTS</b>			
The Fair Work (Registered Organisations) Act 2009 section 272 provides:			
(1) A member may apply to the Chapter for specified prescribed information in relation to the Chapter to be made available to the person making the application.			
(2) The application must be in writing and must specify the period within, 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 Chapter.			
(3) Reporting unit must comply with an application made under Subsection (1).			
<b>15. CASH FLOW INFORMATION</b>			
<b>(a) Reconciliation of Cash</b>			
Cash at the end of financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:			
Cash at Bank		216,892	249,852
		<u>216,892</u>	<u>249,852</u>
<b>(b) Reconciliation of cash flow from operations with profit</b>			
Profit after income tax		10,000	10,000
Changes in Assets & Liabilities:			
(Increase)/Decrease in trade debtors		(65,387)	(3,806)
(Increase)/Decrease in other debtors		(81)	(2,000)
(Increase)/Decrease in deferred costs		(4,218)	(1,003)
Increase/(Decrease) in other loans		(1,485)	2,180
Increase/(Decrease) in trade creditors		(363)	42,648
Increase/(Decrease) in other creditors		28,574	-
<b>Net cash provided by (used in) operating activities</b>		<u>(32,960)</u>	<u>48,019</u>

**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER**  
**ABN 86 870 297 399**

**STATEMENT BY MEMBERS OF THE EXECUTIVE COMMITTEE**

In the opinion of the executive committee the financial report as set out on pages 4 to 19:

1. Presents a fair view of the financial position of The National Electrical Contractors Association - ACT Chapter as at 30 June 2011 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Standards Board;
2. At the date of this statement there are reasonable grounds to believe that The National Electrical Contractors Association - ACT Chapter will be able to pay its debts as and when they fall due.
3. The financial statement and notes give a fair view of the financial performance, financial position and cashflow of the ACT Chapter for the financial year ended on 30 June 2011.
4. The financial statement and notes comply with the reporting guidelines of the Industrial Registrar.
5. During the financial year and since the end of the year :
  - a) Meetings of the Executive Committee were held in accordance with the rules of the National Electrical Contractors Association, including the rules of the ACT Chapter.
  - b) The financial affairs of the ACT Chapter have been kept and maintained in accordance with the rules of the National Electrical Contractors Association, including the rules of the ACT Chapter.
  - c) The financial records of the ACT Chapter have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009.
  - d) There has been compliance with any request of a member of the National Electrical Contractors Association - ACT Chapter or the Registrar under Fair Work (Registered Organisations) Act 2009.

THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
ABN 86 870 297 399

STATEMENT BY MEMBERS OF THE EXECUTIVE COMMITTEE

- e) There has been compliance with any order for inspection of the financial records made by the Commission under Fair Work (Registered Organisations) Act 2009.
  - f) The financial records of the reporting unit have been prepared, as far as practicable in a consistent manner with each of the reporting units of the organisation.
6. There was no recovery of wages.

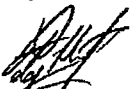
This statement is made in accordance with a resolution of the Executive Committee and is signed for and on behalf of the Executive Committee by:

Committee member



Greg Kempton - President

Committee member



~~Robert Donnelly - Vice President~~

Peter Hart

Dated: 20 October 2011

**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
ABN 86 870 297 399**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER**

**Report on the Financial Report**

We have audited the accompanying financial report of The National Electrical Contractors Association - ACT Chapter (the Association) which comprises the statement of financial position as at 30 June 2011 and the income statement, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the statement by members of the committee.

*Executive Committee's Responsibility for the Financial Report*

The executive 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 (including the Australian Accounting Interpretations) and Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 and for such internal control as the executive committee determines is necessary to enable the preparation of the financial report that is free of material misstatement, whether due to fraud or error.

*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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free of 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

**THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
ABN 86 870 297 399**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER**


*Independence*

In conducting our audit, we complied with the independence requirements of Australian professional ethical pronouncements.

*Auditor's Opinion*

In our opinion, the financial report of The National Electrical Contractors Association - ACT Chapter is in accordance with Part 3 of Chapter 7 of Fair Work (Registrar Organisations) Act 2009 including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and;
- (iii) the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.



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**Peter Douglas Woodhead**  
Chartered Accountant  
Wearne & Co Audit Pty Limited  
Registered Audit Company No 338571

Dated: 24 October 2011

THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER  
ABN 86 870 297 399

CERTIFICATE BY MEMBERS OF THE EXECUTIVE COMMITTEE

Peter Hart


I, Greg Kempton and I, ~~Robert Donnelly~~ certify that:

- (a) We are members of the Executive Committee of the Association.
- (b) We attended the annual general meeting of the Association.
- (c) We are authorised by the attached resolution of the Executive Committee to sign this certificate.
- (d) The annual statement was submitted to the members of the Association at its annual general meeting.

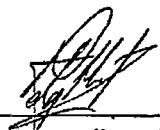
Dated:

17 November 2011

Committee Member

  
\_\_\_\_\_  
Greg Kempton - President

Committee Member

  
\_\_\_\_\_  
~~Robert Donnelly - Vice President~~  
Peter Hart



# Fair Work Australia

30 November 2011

Mr Lindsay Le Compte  
Secretary - ACT Chapter  
The National Electrical Contractors Association  
Level 3, 28 Burwood Road  
BURWOOD NSW 2134

Email - [act@neca.asn.au](mailto:act@neca.asn.au)

Dear Mr Le Compte,

**Re: Financial Report – NECA - ACT Chapter - FR2011/2601**

**Fair Work (Registered Organisations) Act 2009 (RO Act)**

The financial report for the ACT Chapter of 'The National Electrical Contractors Association' (NECA) was lodged on 24 November 2011.

The lodged report provides more information regarding related party transactions when compared to previous years. This new approach has been noted and it will seek to ensure that the ACT Chapter's financial reports are consistent with Australian Accounting Standard AASB 124 (*Related Party Disclosures*) and the approach of NECA as a whole (as set out in correspondence of the NECA National Secretary of 16 June 2011 at Attachment A). Your endeavours in this regard are appreciated.

The financial report has been filed.

The following information is provided to assist the Chapter in future years. No further action is requested with respect to the lodged documents.

The Committee of Management Statement should specify the date that the relevant resolution was passed by the Committee.

The Auditor's Report referred erroneously to 'Part 3 of Chapter 7 of Fair Work (Registrar Organisations) Act 2009'. The correct reference is 'Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009'.

If you have any queries regarding the above please contact me on (03) 8661 7990 or at [andrew.schultz@fwa.gov.au](mailto:andrew.schultz@fwa.gov.au).

Yours faithfully,

Andrew Schultz

Organisations, Research and Advice

**neca**

National office : national electrical and communications association  
Level 4, 30 Atchison Street St Leonards New South Wales 2065  
Locked Bag 1818 St Leonards New South Wales 1590  
telephone: +61 2 9439 8523 facsimile: +61 2 9439 8525  
email: necanat@neca.asn.au website: www.neca.asn.au  
ABN 78 319 016 742

A

16 June 2011

Mr Andrew Schultz  
Tribunal Services and Organisations  
Fair Work Australia  
11 Exhibition Street  
MELBOURNE VIC 3000  
GPO Box 1994  
MELBOURNE VIC 3001

By email only: [andrew.schultz@fwa.gov.au](mailto:andrew.schultz@fwa.gov.au)

Dear Mr Schultz

**Correspondence of 19 May 2011 re NECA Financial Reports**

I refer to your correspondence of 19 May 2011.

In response to the issues raised, as they concern NECA reporting units, I respond as follows:

1. From 2011 and thereafter, reporting units will be separately disclosing in their Profit and Loss Statements (or in their Notes to the Accounts) the employee benefits paid to the elected National Secretary (or Chapter Secretary as the case may be).
2. From 2011 and thereafter, reporting units will list in their Operating Report the National Secretary (or the Chapter Secretary as the case may be) as a member of the 'Committee of Management' (including in South Australia and Tasmania).
3. From 2011 and thereafter, reporting units will treat the National Secretary (or the Chapter Secretary as the case may be) as a member of the 'key management personnel'.
4. From 2011 and thereafter, reporting units will include a Related Party Note in their financial reports that discloses the total compensation paid to 'key management personnel', including the elected Secretary (as well as compensation paid to any other members of the Committee of Management and any other relevant executives, directors and/or elected officers).

In view of the above, NECA does not consider it necessary to make further submissions or replies as to these matters. Please advise if you require otherwise.

NECA National Ph: 02 9439 8523  
NECA Victoria Ph: 03 9645 5533  
NECA Western Australia Ph: 08 9321 3637

NECA New South Wales Ph: 02 9744 1099  
NECA Tasmania Ph: 03 6236 3656  
NECA Northern Territory Ph: 08 8922 9686

NECA Australian Capital Territory Ph: 02 6280 5580  
NECA South Australia Ph: 08 8272 2966  
NECA Queensland Ph: 1300 794 846



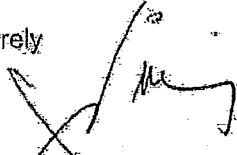
In terms of reporting units having a related party relationship with the entities listed in your correspondence of 19 May 2011, I respond (in table form) as follows:

Entity	Related Party Relationship	Comment
ECA Training Pty Ltd	Shares owned by NECA	Group training company trading as NECA Group Training operating in NSW
NECATec	See NECA Training Pty Ltd	Trading name for registered training organisation NECATec operating in NSW
NECA Legal Pty Ltd	Shares owned by NECA	Legal service
NECA Training Pty Ltd	Shares owned by NECA	Trading as NECATec
NECA Group Training	See ECA Training Pty Ltd	Trading name for group training company ECA Training Pty Ltd operating in NSW
NECA WA Group Property Trust	Trustee owned by NECA WA Group Pty Ltd	Owner of NECA WA building
NECA WA Group Pty Ltd	Shares owned by NECA	Corporate trustee for NECA WA Group Property Trust

The above related party relationships will be disclosed from 2011 and thereafter by relevant reporting units in their financial reports.

I trust the above information resolves all outstanding matters arising in your correspondence of 19 May 2011. Please do not hesitate to contact me should you require anything further.

Yours sincerely



James C Tinsley  
 Chief Executive Officer  
 National Electrical and Communications Association (NECA)

