



6 January 2015

Mr Oliver Judd
Secretary
The Australian Capital Territory Chapter
National Electrical Contractors Association,
oliverj@neca.asn.au

CC: Peter Woodhead, Wearne & Co Audit by email c/- graeme@wearne.com.au
CC: Gus Fernando by email: gus.fernando@neca.asn.au
CC: ACT Chapter by email: act@neca.asn.au

Dear Mr Judd,

**National Electrical Contractors Association, The Australian Capital Territory Chapter
Financial Report for the year ended 30 June 2014 - [FR2014/127]**

I acknowledge receipt of the financial report of the National Electrical Contractors Association, The Australian Capital Territory Chapter. The documents were lodged with the Fair Work Commission on 5 December 2014.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged. Thank you for incorporating the comments made in 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.

Second Designated Officers Certificate

I note that the report included two designated officer's certificates with different dates. Following discussions with the chapter it appears that the certificate dated 5 December 2014 was the correct certificate and the one dated 16 October 2014 was likely in error.

Please ensure that only one designated officer's certificate is lodged with next year's report and that the dates on it correctly depict the date the report was sent to members and the date of the AGM.

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

Fax: 03 9655 0410

catherine.bebbington@fwc.gov.au

11 Exhibition Street, Melbourne Victoria 3000
GPO Box 1994, Melbourne Victoria 3001

www.fwc.gov.au



national
electrical and
communications
association

ACT CHAPTER

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ABN 86 870 297 399

5 December 2014

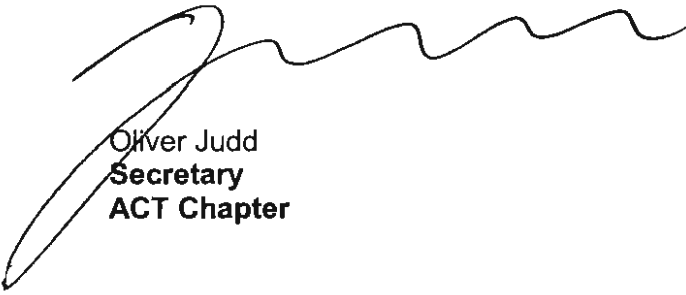
Tribunal Services and Organisations
Fair Work Commission
GPO Box 1994
MELBOURNE VIC 3001

Dear Sir

I enclose the following documents for your consideration:

- Designated Officer's Certificate pursuant to the Fair Work Act 2009.
- Financial statements of the National Electrical Contractors Association (ACT Chapter) for the year ending on 30 June 2014.

Yours sincerely



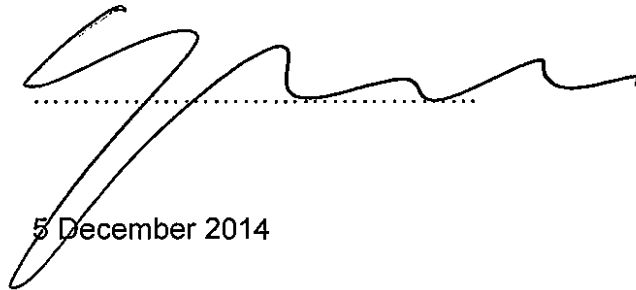
Oliver Judd
Secretary
ACT Chapter

Designated Officer's Certificate
s.268 of the Fair Work Act 2009

I, Oliver Rupert Judd 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 Fair Work (Registered Organisations) Act 2009; and
- That the full report was provided to members on 10 November 2014, and
- That the full report was presented to a general meeting of members of the reporting unit on 4 December 2014, in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signature:

A handwritten signature in black ink, appearing to be 'O. Judd', written over a horizontal dotted line. The signature is fluid and cursive.

Date:

5 December 2014

NECA ACT CHAPTER ANNUAL GENERAL MEETING

to be held at

**NECA ACT, 1/2 YALLOURN STREET, FYSHWICK ACT
THURSDAY 4 DECEMBER 2014 at 5.00 pm**

AGENDA

- 1. Attendance and apologies**
- 2. Confirmation of Minutes**
 - 2.1** Minutes of Annual General Meeting held on 19 December 2013
- 3. Matters Arising from Minutes of Previous Meeting**
- 4. Annual Financial Statements**
 - 4.1** NECA ACT audited annual accounts for the year ended 30 June 2014 (attached).
- 5. Other Business**
- 6. Meeting Close**

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

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2014**

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

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**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER
ABN 86 870 297 399****INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS
OF NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER****Report on the Financial Report**

We have audited the accompanying financial report of National Electrical Contractors Association - ACT Chapter (the association) which comprises the statement of financial position as at 30 June 2014 and the income statement, statement of comprehensive income, 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 conduct 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 judgement, 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.

Independence

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

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

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

Declaration by Auditor

Peter Woodhead (Registered Auditor 4223) is a member of the audit firm Wearne & Co Audit Pty Limited (Registered Auditor 338571). Peter Woodhead is a member of the Institute of Chartered Accountants in Australia and holds a current Public Practice Certificate.

Auditor's Opinion

In our opinion, the financial report of National Electrical Contractors Association – ACT Chapter is in accordance with Part 3 of Chapter 8 of Fair Work (Registered Organisations) Act 2009 including:

- (i) presents fairly, in all material respects, the Entity's financial position as at 30 June 2014 and of its performance and cash flows for the year ended; 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; and
- (iv) there is no recovery of wages activity; and
- (v) the management's use of the going concern basis of accounting in the preparation of the Associations financial statements is appropriate.



Peter Douglas Woodhead
Principal – Wearne & Co Audit Pty Limited
Chartered Accountants
Authorised Audit Company No 338571

Dated: 29-10-2014

NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER
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s.268 Fair Work (Registered Organisations) Act 2009

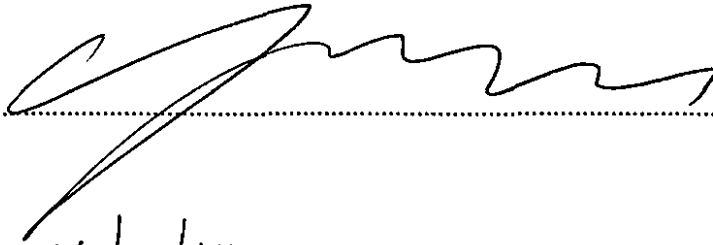
CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended 30 June 2014

I Oliver Judd being the secretary of the National Electrical Contractors Association - ACT Chapter certify:

- that the documents lodged herewith are copies of the full report for the National Electrical Contractors Association - ACT Chapter for the period ended 30 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 ~~26/10/14~~.....; and
- that the full report was presented to a general meeting of members of the reporting unit on ~~29/10/14~~..... in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Mr O Judd - Secretary:.....



Dated:.....

16/10/14

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

OPERATING REPORT

for the period ended 30 June 2014

The committee presents its report on the reporting unit for the financial year ended *30 June 2014*.

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

The principal activities of the Association during the financial year were to represent the interests of the members in the electro technology industry.

These activities included Industrial Relations advice, representation in bargaining, WHS advice, lobbying and membership, benefits such as training, events and discounted services. There was no significant change with these activities, the operating result of the entity was a profit amounting to \$9,484.

Significant changes in financial affairs

No significant change in the financial affairs of the reporting unit.

Right of members to resign

A member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purposes in the rules of the organisation or a branch of the organisation in accordance with Rule 11, Resignation from Membership, of the Federal Rules of National Electrical Contractors Association - ACT Chapter. Rule 11 conforms with Section 174, Resignation from Membership of the Fair Work (Registered Organisation Act 2009).

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

To the best of our knowledge and belief, no officer or member of the organisation, by virtue of their office or membership of NECA, is;

(i) A trustee of a superannuation entity or an exempt public sector superannuation scheme; or

(ii) A director of a company that is the trustee of a superannuation entity or an exempt public sector superannuation scheme; where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation.

Number of members

As at 30 June 2014 there were 118 members of the National Electrical Contractors Association - ACT Chapter.

Number of employees

As at 30 June 2014 there were no full time employees, part time employees or contractors under the National Electrical Contractors Association - ACT Chapter.

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

OPERATING REPORT

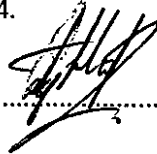
for the period ended 30 June 2014

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

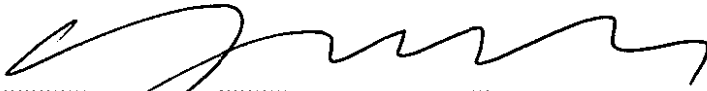
| | |
|-------------------------------------|----------------------------|
| B Skinner – President | 1 July 2013 – 30 June 2014 |
| R Donnelly – (previously President) | 1 July 2013 – 30 June 2014 |
| O Judd – Secretary | 1 July 2013 – 30 June 2014 |
| P Hart – Vice President | 1 July 2013 – 30 June 2014 |
| S Patrick | 1 July 2013 – 31 July 2013 |
| G Bawden | 1 July 2013 – 30 June 2014 |
| S Buckley | 1 July 2013 – 30 June 2014 |
| J O'Malley | 1 July 2013 – 30 June 2014 |

R Donnelly was President from 1 July 2013 to 31 July 2013, subsequently B Skinner became president from 1 August 2013 to 30 June 2014.

Mr. P. Hart - Vice President:



Mr O Judd - Secretary:



Dated:

16/10/14

NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER
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COMMITTEE OF MANAGEMENT STATEMENT
for the period ended 30 June 2014

On the ~~10~~/~~10~~/2014 the Committee of Management of the National Electrical Contractors Association - ACT Chapter passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 30 June 2014:

The Committee of Management declare that in their 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 GPRF 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) no revenue has been derived from undertaking recovery of wages activity during the reporting period

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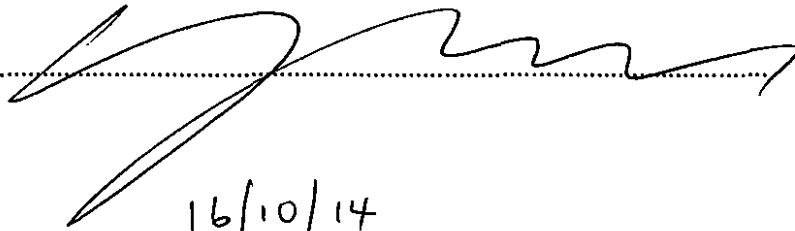
COMMITTEE OF MANAGEMENT STATEMENT
for the period ended 30 June 2014

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

Mr P Hart - Vice President:



Mr O Judd - Secretary:



Dated:

16/10/14

NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER
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STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2014

| | Notes | 2014 \$ | 2013 \$ |
|--|-------|----------------|----------------|
| Revenue | | | |
| Membership subscription* | | 132,194 | 123,223 |
| Capitation fees | 3A | - | - |
| Levies | 3B | - | - |
| Interest | 3C | 5,872 | 8,022 |
| Other revenue | 3D | 87,362 | 83,137 |
| Total revenue | | 225,428 | 214,382 |
| Other Income | | | |
| Grants and/or donations | 3E | - | - |
| Total other income | | - | - |
| Total income | | 225,428 | 214,382 |
| Expenses | | | |
| Employee expenses | 4A | - | - |
| Capitation fees | 4B | 27,725 | 25,396 |
| Affiliation fees | 4C | - | - |
| Administration expenses | 4D | 25,719 | 13,333 |
| Grants or donations | 4E | - | - |
| Legal costs | 4F | 4,600 | - |
| Audit fees | 10 | 6,342 | 9,410 |
| Other expenses | 4G | 151,558 | 156,243 |
| Total expenses | | 215,944 | 204,382 |
| Profit (loss) for the year | | 9,484 | 10,000 |
| Other comprehensive income | | | |
| Items that will not be subsequently reclassified to profit or loss | | - | - |
| Gain on revaluation of land & buildings | | - | - |
| Total comprehensive income for the year | | 9,484 | 10,000 |

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

NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER
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STATEMENT OF FINANCIAL POSITION
as at 30 June 2014

| | Notes | 2014 \$ | 2013 \$ |
|---|-------|----------------|----------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 5A | 214,152 | 256,945 |
| Trade and other receivables | 5B | 136,459 | 71,218 |
| Other current assets | 5C | 10,549 | 10,596 |
| Total current assets | | 361,160 | 338,759 |
| Non-Current Assets | | | |
| Land and buildings | | - | - |
| Plant and equipment | | - | - |
| Intangibles | | - | - |
| Investments in associates | | - | - |
| Other investments | | - | - |
| Other non-current assets | | - | - |
| Total non-financial assets | | - | - |
| Total assets | | 361,160 | 338,759 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade payables | 6A | 7,047 | 16,507 |
| Other payables | 6B | 175,707 | 153,330 |
| Employee provisions | 7A | - | - |
| Total current liabilities | | 182,754 | 169,837 |
| Non-Current Liabilities | | | |
| Employee provisions | 7A | - | - |
| Other non-current liabilities | | - | - |
| Total non-current liabilities | | - | - |
| Total liabilities | | 182,754 | 169,837 |
| Net assets | | 182,754 | 169,837 |
| EQUITY | | | |
| General funds | | - | - |
| Retained earnings (accumulated deficit) | | 178,406 | 168,922 |
| Total equity | | 178,406 | 168,922 |

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

NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER
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STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2014

| Notes | General funds \$ | Retained earnings \$ | Total equity \$ |
|---|---------------------|----------------------------|--------------------|
| Balance as at 1 July 2012 | - | 158,922 | 158,922 |
| Adjustment for errors | - | - | - |
| Adjustment for changes in accounting policies | - | - | - |
| Profit (Loss) for the year | - | 10,000 | 10,000 |
| Other comprehensive income for the year | - | - | - |
| Transfer to/from | - | - | - |
| Transfer from retained earnings | - | - | - |
| Closing balance as at 30 June 2013 | - | 168,922 | 168,922 |
| Adjustment for errors | - | - | - |
| Adjustment for changes in accounting policies | - | - | - |
| Profit (Loss) for the year | - | 9,484 | 9,484 |
| Other comprehensive income for the year | - | - | - |
| Transfer to/from | - | - | - |
| Transfer from retained earnings | - | - | - |
| Closing balance as at 30 June 2014 | - | 178,406 | 178,406 |

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

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

CASH FLOW STATEMENT

for the period ended 30 June 2014

| | Notes | 2014 \$ | 2013 \$ |
|---|-------|-----------------|----------------|
| OPERATING ACTIVITIES | | | |
| Cash received | | | |
| Receipts from other reporting units/controlled entity(s) | 8B | 45,025 | 300 |
| Interest | | 5,872 | 8,022 |
| Other | | 126,704 | 228,018 |
| Cash used | | | |
| Employees | | - | - |
| Suppliers | | (56,183) | (78,919) |
| Payment to other reporting units/controlled entity(s) | 8B | (164,211) | (121,110) |
| Net cash from (used by) operating activities | 8A | (42,793) | 36,311 |
| INVESTING ACTIVITIES | | | |
| Cash received | | | |
| Proceeds from sale of plant and equipment | | - | - |
| Proceeds from sale of land and buildings | | - | - |
| Other | | - | - |
| Cash used | | | |
| Purchase of plant and equipment | | - | - |
| Purchase of land and buildings | | - | - |
| Other | | - | - |
| Net cash from (used by) investing activities | | - | - |
| FINANCING ACTIVITIES | | | |
| Cash received | | | |
| Contributed equity | | - | - |
| Other | | - | - |
| Cash used | | | |
| Repayment of borrowings | | - | - |
| Other | | - | - |
| Net cash from (used by) financing activities | | - | - |
| Net increase (decrease) in cash held | | (42,793) | 36,311 |
| Cash & cash equivalents at the beginning of the reporting period | | 256,945 | 220,634 |
| Cash & cash equivalents at the end of the reporting period | 5A | 214,152 | 256,945 |

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

NOTES TO THE FINANCIAL STATEMENTS
for the period ended 30 June 2014

Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the National Electrical Contractors Association – ACT Chapter is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

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

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on *National Electrical Contractors Association - ACT Chapter* include:

AASB 9: Future Instruments (December 2010) and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2017).

These Standards will be applicable retrospectively (subject to the provisions on hedge accounting) and include revised requirements for the classification and measurement of financial instruments, revised recognition and de-recognition requirements for financial instruments, and simplified requirements for hedge accounting.

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

The key changes that may affect the company on initial application of AASB 9 and associated Amending Standards include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to the hedging of non-financial items. Should the entity elect to change its hedge accounting policies in line with the new hedge accounting requirements of AASB 9, the application of such accounting would be largely prospective.

Although the directors anticipate that the adoption of AASB 9 may have an impact on the company's financial instruments, including hedging activity, it is impracticable at this stage to provide a reasonable estimate of such impact.

1.5 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.

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.

Donation income is recognised when it is received.

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.

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

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

1.6 Government grants

Government grants are not recognised until there is reasonable assurance that the *National Electrical Contractors Association - ACT Chapter* 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 *National Electrical Contractors Association - ACT Chapter* recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the *National Electrical Contractors Association - ACT Chapter* should purchase, construct 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.

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

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the *National Electrical Contractors Association - ACT Chapter* with no future related costs are recognised in profit or loss in the period in which they become receivable.

1.7 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 it relates.

1.8 Borrowing costs

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

1.9 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.

1.10 Financial instruments

Financial assets and financial liabilities are recognised when a *Notional Electrical Contractors Association - ACT Chapter* 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.

1.11 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.

NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION - ACT CHAPTER
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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.

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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.

1.12 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.

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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.

1.13 Contingent liabilities and contingent assets

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

There are no contingent liabilities or contingent assets.

1.14 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 of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the *National Electrical Contractors Association - ACT Chapter* were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.15 Taxation

National Electrical Contractors Association - ACT Chapter is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

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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.

1.16 Fair value measurement

The *National Electrical Contractors Association - ACT Chapter* 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 *National Electrical Contractors Association - ACT Chapter*. 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 *National Electrical Contractors Association - ACT Chapter* 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

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For assets and liabilities that are recognised in the financial statements on a recurring basis, the *National Electrical Contractors Association - ACT Chapter* 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 and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the *National Electrical Contractors Association - ACT Chapter* 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.

1.17 Going concern

National Electrical Contractors Association - ACT Chapter operations are administered by National Electrical Contractors Association NSW chapter. There is no agreement in place and a monthly fee of \$5,000 is charged. It does not rely on its support to continue on a going concern basis.

1.18 Financial Support to other reporting unit of the organisation

In accordance with an agreement reached at the national level of the organisation with the Chapters at the commencement of the reporting period, the ACT Chapter has, during the reporting period, made grants totalling \$4590 to the QLD Chapter of the organisation. The terms of the grants are paid on a monthly invoice basis conditional upon the QLD Chapter maintaining the delivery of NECA services to its QLD members

Note 2 Events after the reporting period

There were no events that occurred after 30 June 2014, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of National Electrical Contractors Association - ACT Chapter.

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| | 2014 | 2013 |
|--------------------------------------|---------------|---------------|
| | \$ | \$ |
| Note 3 Income | | |
| Note 3A: Capitation fees* | | |
| - | - | - |
| Total capitation fees | <u>-</u> | <u>-</u> |
| Note 3B: Levies* | | |
| - | - | - |
| Total levies | <u>-</u> | <u>-</u> |
| Note 3C: Interest | | |
| Deposits | 5,872 | 8,022 |
| Loans | - | - |
| Total interest | <u>5,872</u> | <u>8,022</u> |
| Note 3D: Other income | | |
| Events | 25,159 | 26,113 |
| Referral fees | 7,030 | 5,524 |
| Sponsorship | 55,173 | 51,500 |
| Total other income | <u>87,362</u> | <u>83,137</u> |
| Note 3E: Grants or donations* | | |
| Grants | - | - |
| Donations | - | - |
| Total grants or donations | <u>-</u> | <u>-</u> |

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| | 2014 | 2013 |
|---|--------|--------|
| | \$ | \$ |
| Note 4 Expenses | | |
| Note 4A: Employee expenses | | |
| Holders of office: | | |
| Wages and salaries | - | - |
| Superannuation | - | - |
| Leave and other entitlements | - | - |
| Separation and redundancies | - | - |
| Other employee expenses | - | - |
| Subtotal employee expenses holders of office | - | - |
| Employees other than office holders: | | |
| Wages and salaries | - | - |
| Superannuation | - | - |
| Leave and other entitlements | - | - |
| Separation and redundancies | - | - |
| Other employee expenses | - | - |
| Subtotal employee expenses employees other than office holders | - | - |
| Total employee expenses | - | - |
| | | |
| Note 4B: Capitation Fees | | |
| NECA - National | 27,725 | 25,396 |
| Total Capitation Fees | 27,725 | 25,396 |
| | | |
| Note 4C: Affiliation fees* | | |
| - | - | - |
| Total affiliation fees/subscriptions | - | - |
| | | |
| Note 4D: Administration expenses | | |
| Consideration to employers for payroll deductions | - | - |
| Compulsory levies | - | - |
| Fees/allowances - meeting and conferences | - | - |
| Conference and meeting expenses | - | - |
| Consultancy | 5,990 | - |
| Bank fees | 1,419 | 1,308 |
| Advertising | 296 | 1,047 |
| Share of CEO termination costs | 3,556 | - |
| Meetings | 2,184 | 705 |
| Printing and stationery | 12,274 | 10,273 |
| Total administration expenses | 25,719 | 13,333 |

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| | 2014 | 2013 |
|--------------------------------------|------|------|
| | \$ | \$ |
| Note 4E: Grants or donations* | | |
| Grants: | | |
| Total paid that were \$1,000 or less | - | - |
| Total paid that exceeded \$1,000 | - | - |
| Donations: | | |
| Total paid that were \$1,000 or less | - | - |
| Total paid that exceeded \$1,000 | - | - |
| Total grants or donations | - | - |

Note 4F: Legal costs*

| | | |
|--------------------------|-------|---|
| Litigation | - | - |
| Other legal matters | 4,600 | - |
| Total legal costs | 4,600 | - |

Note 4G: Other expenses

| | | |
|---|---------|---------|
| Penalties - via RO Act or RO Regulations* | - | - |
| Bad debts | - | 1,485 |
| Doubtful debts | - | (2,390) |
| Excellence/Apprentice Awards | 86,474 | 77,134 |
| General expenses | - | 15,148 |
| Insurance | 494 | 276 |
| Administration fee to NECA NSW Chapter | 60,000 | 60,000 |
| Support levy to NECA QLD Chapter | 4,590 | 4,590 |
| Total other expenses | 151,558 | 156,243 |

Note 5 Current Assets

Note 5A: Cash and Cash Equivalents

| | | |
|--|---------|---------|
| Cash at bank | 27,248 | 78,413 |
| Cash Management Account | 186,904 | 178,532 |
| Total cash and cash equivalents | 214,152 | 256,945 |

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| | 2014 | 2013 |
|---|---------|--------|
| | \$ | \$ |
| Note 5B: Trade and Other Receivables | | |
| Receivables from other reporting unit[s]/related parties | | |
| ECA Training Pty Ltd (related party) | - | 4,410 |
| Total receivables from other reporting unit(s)/related parties | - | 4,410 |
| Less provision for doubtful debts* | - | - |
| Total provision for doubtful debts | - | - |
| Receivable from other reporting unit[s] (net) | - | 4,410 |
| Other receivables | | |
| Other trade receivables | 136,055 | 66,808 |
| Other debtors | 404 | - |
| Total other receivables | 136,459 | 71,218 |
| Total trade and other receivables (net) | 136,459 | 71,218 |
| Note 5C: Other current assets | | |
| Prepayments | - | 494 |
| Deferred costs | 10,549 | 10,102 |
| Total other current assets | 10,549 | 10,596 |
| Note 6 Current liabilities | | |
| Note 6A: Trade payables | | |
| Trade creditors and accruals | 87 | - |
| Operating lease rentals | - | - |
| Subtotal trade creditors | 87 | - |
| Payables to other reporting unit[s] | | |
| NECA National | 927 | 2,473 |
| NECA NSW Chapter | 6,033 | 14,034 |
| Subtotal payables to other reporting unit[s] | 6,960 | 16,507 |
| Total trade payables | 7,047 | 16,507 |

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| | 2014 | 2013 |
|---|----------------|----------------|
| | \$ | \$ |
| Note 6B: Other payables | | |
| Consideration to employers for payroll deductions* | - | - |
| Legal costs* | - | - |
| Prepayments received/unearned revenue | 155,123 | 137,710 |
| GST payable | 11,830 | 9,220 |
| Other | 8,754 | 6,400 |
| Total other payables | 175,707 | 153,330 |
| Total other payables are expected to be settled in: | | |
| No more than 12 months | 175,707 | 153,330 |
| More than 12 months | - | - |
| Total other payables | 175,707 | 153,330 |

Note 7 Provisions

Note 7A: Employee provisions*

Office Holders:

| | | |
|------------------------------|---|---|
| Annual leave | - | - |
| Long service leave | - | - |
| Separations and redundancies | - | - |
| Other | - | - |

Subtotal employee provisions—office holders

| | | |
|--|---|---|
| | - | - |
|--|---|---|

Employees other than office holders:

| | | |
|------------------------------|---|---|
| Annual leave | - | - |
| Long service leave | - | - |
| Separations and redundancies | - | - |
| Other | - | - |

Subtotal employee provisions—employees other than office holders

| | | |
|--|---|---|
| | - | - |
|--|---|---|

Total employee provisions

| | | |
|--|---|---|
| | - | - |
|--|---|---|

| | | |
|---------|---|---|
| Current | - | - |
|---------|---|---|

| | | |
|-------------|---|---|
| Non Current | - | - |
|-------------|---|---|

| | | |
|----------------------------------|---|---|
| Total employee provisions | - | - |
|----------------------------------|---|---|

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| | 2014 | 2013 |
|---|-----------------|----------------|
| | \$ | \$ |
| Note 8 Cash Flow | | |
| Note 8A: Cash Flow Reconciliation | | |
| Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement: | | |
| Cash and cash equivalents as per: | | |
| Cash flow statement | 214,152 | 256,945 |
| Balance sheet | 214,152 | 256,945 |
| <i>Difference</i> | - | - |
| | | |
| Reconciliation of profit/(deficit) to net cash from operating activities: | | |
| Profit/(deficit) for the year | 9,484 | 10,000 |
| | | |
| Changes in assets/liabilities | | |
| (Increase)/decrease in net receivables | (65,241) | 45,061 |
| (Increase)/decrease in prepayments | 494 | (494) |
| Increase/(decrease) in supplier payables | (9,460) | 16,218 |
| Increase/(decrease) in other payables | 21,929 | (34,474) |
| Increase/(decrease) in employee provisions | - | - |
| Increase/(decrease) in other provisions | - | - |
| Net cash from (used by) operating activities | (42,793) | 36,311 |
| | | |
| Note 8B: Cash flow information* | | |
| Cash inflows | | |
| NECA – QLD Chapter (other reporting unit) | - | - |
| NECA – NSW Chapter (other reporting unit) | 40,615 | - |
| ECA Training Ltd (related party) | 4,410 | 300 |
| Total cash inflows | 45,025 | 300 |
| | | |
| Cash outflows | | |
| NECA – National (other reporting unit) | 62,120 | 36,733 |
| NECA – VIC Chapter (other reporting unit) | 211 | 204 |
| NECA – QLD Chapter (other reporting unit) | 5,049 | 5,049 |
| NECA – NSW Chapter (other reporting unit) | 92,466 | 79,124 |
| ECA Training Ltd (related party) | 182 | - |
| NECA Legal Pty Ltd (related party) | 4,183 | - |
| Total cash outflows | 164,211 | 121,110 |

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| | 2014 | 2013 |
|---|--------|--------|
| | \$ | \$ |
| Note 9 | | |
| Related party disclosures | | |
| | | |
| Note 9A: Related party transactions for the reporting period | | |
| | | |
| The following table provides the total amount of transactions that have been entered into with related parties for the relevant year. | | |
| | | |
| Revenue received from ECA Training Pty Ltd includes the following: | | |
| Sponsorship | - | 4,282 |
| | | |
| Revenue received from NECA – NSW Chapter includes the following: | | |
| Sponsorship | 36,923 | - |
| | | |
| Expenses paid to NECA – NSW Chapter includes the following: | | |
| <i>Administration fee</i> | 60,000 | 60,000 |
| <i>Advertisement</i> | 12,274 | 10,273 |
| <i>Share of profit with NECA - NSW Chapter & ECA Training Pty Ltd</i> | - | 12,758 |
| <i>Other</i> | 4,512 | 1,658 |
| | | |
| Expenses paid to NECA National include the following: | | |
| <i>Capitation fee</i> | 27,725 | 25,396 |
| <i>Other</i> | 3,556 | - |
| | | |
| Expenses paid to NECA – VIC Chapter includes the following: | | |
| <i>Events</i> | 192 | 185 |
| | | |
| Expenses paid to NECA – QLD Chapter includes the following: | | |
| <i>QLD Grant</i> | 4,590 | 4,590 |
| | | |
| Expenses paid to ECA Training Pty Ltd includes the following: | | |
| <i>Events</i> | 166 | - |
| | | |
| Expenses paid to NECA Legal Pty Ltd Chapter includes the following: | | |
| <i>Legal consulting</i> | 4,375 | - |

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Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the yearend 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 *National Electrical Contractors Association - ACT Chapter* 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.

| | 2014 | 2013 |
|--|------|------|
| | \$ | \$ |

Note 10 Remuneration of auditors

Value of the services provided

| | | |
|---------------------------------------|--------------|--------------|
| Financial statement audit services | 6,342 | 9,410 |
| Other services | - | - |
| Total remuneration of auditors | 6,342 | 9,410 |

No other services were provided by the auditors of the financial statements.

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2014 2013
 \$ \$

Note 11 Administration of financial affairs by a third party

Name of entity providing service: National Electrical Contractors Association – NSW Chapter (NECA – NSW)

Terms and conditions: NECA – NSW will manage all of National Electrical Contractors Association- ACT Chapter’s (NECA – ACT) operations for which it will charge an administration fee of \$5,000 per month. If at the end of the financial year NECA- ACT has in excess of \$10,000 in profits, NECA – NSW will appropriate the excess.

Nature of expenses/consultancy service: Administration and Membership Services

Detailed breakdown of revenues collected and/or expenses incurred

Revenue

| | | |
|-------------------------|---|---|
| Membership subscription | - | - |
| Capitation fees | - | - |
| Levies | - | - |
| Interest | - | - |
| Rental revenue | - | - |
| Other revenue | - | - |
| Grants and/or donations | - | - |
| Total revenue | - | - |

Expenses

| | | |
|---|--------|--------|
| Employee expense | - | - |
| Capitation fees | - | - |
| Affiliation fees | - | - |
| Consideration to employers for payroll deductions | - | - |
| Compulsory levies | - | - |
| Fees/allowances - meeting and conferences | - | - |
| Conference and meeting expenses | - | - |
| Administration expenses | 60,000 | 60,000 |
| Grants or donations | - | - |
| Finance costs | - | - |
| Legal costs | - | - |
| Audit fees | - | - |
| Penalties - via RO Act or RO Regulations | - | - |
| Other expenses | - | - |
| Total expenses | 60,000 | 60,000 |

Note 12 Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or General Manager:

- (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 13 Business Cominations

No business combinations occurred during the financial year.

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CERTIFICATE BY MEMBERS OF THE EXECUTIVE COMMITTEE

I, Mr. P. Hart - Vice President of and I, Mr. O. Judd - Secretary of, 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.

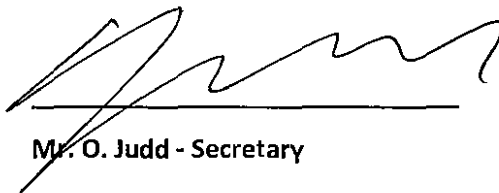
Dated: 4/12/2014

Committee Member



Mr. P. Hart - Vice President

Committee Member



Mr. O. Judd - Secretary

**STATEMENT CONCERNING LIABILITIES
AND CERTAIN OTHER MATTER**

To Messrs Wearne & Co Audit Pty Limited

In connection with your examination of the financial statements of National Electrical Contractors Association ACT Chapter as at 30 June 2014 and for the period then ended, this representation letter is provided for the purpose of forming an opinion whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) so as to present a view which is consistent with your understanding of National Electrical Contractors Association ACT financial position, the results of its operations and its cash flows.

We acknowledge our responsibility for the preparation of the financial statements including adequate disclosure. We also acknowledge our responsibility for the implementation and operation of accounting and internal control systems that are designed to prevent and detect fraud and error.

We confirm that to the best of our knowledge and belief, the following representations made to you during your audit:

1. Liabilities

As at the above date all liabilities - including amounts payable or accrued for purchase, salaries and wages, taxed, expenses, and loans have been recorded in the accounts.

2. Contingent Liabilities and Other Claims

The terms 'contingent liabilities' and 'claims' apply, but are not limited to such items as discounted or assigned debts; accommodation endorsements; guarantees; warranties; sureties; open balances on letters of credit; unsatisfied judgements; additional taxes of which there is present knowledge based upon either formal or informal advice; and pending or prospective claims for injuries, damages, defective goods, patent infringements, additional payments, refunds, and penalties, arising from alleged violation of laws or regulations of governmental agencies:

At the above date there were no contingent liabilities or other claims.

3. Contractual Obligations and Other Commitments

At the above date there were no commitments to buy or sell securities; repurchase agreements, purchase commitments or sales commitments at prices involving prospective loss, bonus or profit-sharing arrangements, or other undertakings which were not in the ordinary course or business or which might have an adverse effect upon this company.

4. Capital Expenditure

Commitments have been entered into for the purchase of Buildings, Plant, Machinery and other facilities as at the above date, as follows:

5. Pledged Assets

At the above date no assets (including assets of other) were pledged or assigned as collateral to liabilities.

6. Ownership of Assets

As at the above date the company has the equitable interest in or beneficial ownership of all the assets, including land and investments, as shown in the financial statements and all assets that have been disposed of during the year have been properly recorded in the books of accounts.

7. Subsequent Happenings

Since the above date there have been no happenings which have had or may have an important effect upon the financial position or the results of operations as shown in the aforementioned financial statements.

8. Accounts Receivable

All accounts receivable (debtors) are fully collectable except for those covered by provision for doubtful accounts.

9. Fraud

There have been no irregularities involving management or employees who have a significant role in the accounting and internal control systems or that could have a material effect on the financial statements.

We have disclosed to you all significant facts relating to any frauds or suspected frauds known to us that may have affected the entity.

We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.

We have disclosed to you all known incidences of possible or actual non-compliance with laws and regulations whose effects should be considered when preparing the financial report.

10. Related Parties

We confirm the completeness of the information provided regarding the identification of related parties, and balances and transactions with related parties.


11. Minutes

We have made available to you all books of account and supporting documentation and all minutes of meetings of shareholders, the board of directors and committees of directors. Where minutes have not been prepared for recent meetings, a summary of decisions taken at those meetings has been made available to you.

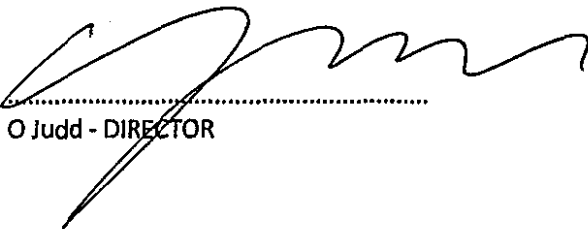
12. Inventory

We have no plans to abandon lines of product or other plans or intentions that will result in any excess or obsolete inventory, and no inventory is stated at an amount in excess of net realisable value.

The financial statements are free of material misstatements, including omissions.


.....
P Hart - VICE PRESIDENT

DATE: 16/10/2014


.....
O Judd - DIRECTOR

DATE: 16/10/14.