



Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition Street, Melbourne 3000,
GPO Box 1994, Melbourne 3001
Telephone: (03) 8661 7817
Fax: (03) 9655 0410

Mr James Tinslay
Secretary
The National Electrical Contractors Association
New South Wales Chapter
PO Box 1106
Burwood NSW 2134

Dear Mr Tinslay,

Financial Reports for Year Ended 30 June 2006 - FR2005/454
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)

Thank you for the financial reports of the New South Wales Chapter of The National Electrical Contractors Association for the year ended 30 June 2006. The documents were lodged in the Industrial Registry on 11 October 2006.

I draw your attention to the following comments concerning the above reports and the financial reporting obligations under the RAO Schedule. I note that these same matters were raised by this office last year. In our letter to you of 18 November 2005, we advised you of certain discrepancies found in the lodged financial reports for 30 June 2005 which were directed at assisting you with the future preparation of financial reports. A copy of our letter is attached for your information. In particular:

Operating Report

The Operating Report is also required to provide the following information:

- The number of members of the Chapter as at the end of the financial year;
- The number of employees of the Chapter as at the end of the financial year, and
- whether any officer or member of the Chapter is a trustee of a superannuation entity (or a director of a company that is a trustee of a superannuation entity) – see section 254(2)(d) of the RAO Schedule (in the event that no officer or member of the Chapter is a trustee or director of a superannuation entity, the Operating Report should at least include a comment to that effect).

Notice which sets out sections 272(1), (2) and (3)

In our correspondence of 18 November 2005 we indicated that the accounts must include a notice drawing attention that prescribed information is available to members on request. To cover this requirement, the Chapter should set out word for word, s272(1), (2) and (3) in, preferably, the Notes to the Financial Statements.

Committee of Management Statement

While the Committee of Management statement indicates that the statement was made in accordance with a resolution of the committee, it must also provide the date the resolution was made – refer items 24 to 26 of the Reporting Guidelines.

Could you please ensure the above points are addressed in the next financial reports of the Chapter.

Please do not hesitate to contact me by email at robert.pfeiffer@air.gov.au or on (03) 8661 7817 if you wish to discuss this letter.

A copy of the financial report has been placed on the website maintained by the Industrial Registry at <http://www.e-airc.gov.au/233vnsu>.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'R. Pfeiffer', with a stylized flourish at the end.

Robert Pfeiffer
Assistant Team Manager
Statutory Services Branch, Melbourne

15 December 2006



New South Wales chapter

national electrical and communications association

Level 3, 28 Burwood Road Burwood New South Wales 2134 Australia

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email: necansw@neca.asn.au website: www.neca.asn.au

ABN 27 056 174 413

FR2006/458

5 October, 2006

Industrial Registrar
Australian Industrial Registry
GPO Box 1994S
MELBOURNE VIC 3001

Dear Sir/Madam,

Please find attached the reports and accounts required for NECA NSW in accordance with the Workplace Relations Act for the year ended 30 June, 2006

Attached is:

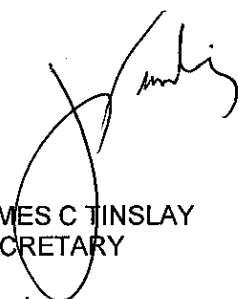
- (a) Secretary's Statement regarding copies of account.
- (b) Financial Statements for the year ended 30 June, 2006 including:
 - (i) Executive Committee's Certificate
 - (ii) Accounting Officers Certificate
 - (iii) Auditors Report to Members

The financial statements for the year ended 30 June, 2006 were forwarded to members on 17 August, 2006. The Annual General Meeting of members was held on 22 September, 2006. A copy of the Notice of the Annual General Meeting sent to members is also attached.

Details of donations:

- (a) Prizes totalling \$1000 to two TAFE students for outstanding performance in their electrical trades course.
- (b) \$1000 donation to the Olex Australia charity golf day with the donation being paid to an Australian charity.

Yours sincerely,



JAMES C TINSLAY
SECRETARY

Attach.



New South Wales chapter | **national electrical and communications association**
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PO Box 1106 Burwood North New South Wales 2134 Australia
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email: necansw@neca.asn.au website: www.neca.asn.au
ABN 27 056 174 413

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
NEW SOUTH WALES CHAPTER
SECRETARY'S STATEMENT**

I, James C Tinslay, being the Secretary of the National Electrical Contractors Association New South Wales Chapter, do hereby certify that the documents lodged herewith are true copies of the documents forwarded to members on 17 August, 2006 and presented to the Annual General Meeting of members of the Chapter held on 22 September, 2006.



.....
JAMES C TINSLAY, SECRETARY

Date: 5 October, 2006

National Electrical Contractors Association - New South Wales Chapter

Financial Statements

For the Year Ended 30 June, 2006

National Electrical Contractors Association - New South Wales Chapter

For the Year Ended 30 June, 2006

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National Electrical Contractors Association - New South Wales Chapter

Operating Report by the Committee

30 June, 2006

Your committee members submit the financial report of the company for the financial year ended June 30, 2006.

Committee Members

The names of committee members throughout the year and at the date of this report are:

Mr. S. Griffiths

Mr. JC Tinslay

Mr. R. Young

Mr. A.H Glossop

Mr. D. Madson

Mr. R. Bateman

Mr. K. Smith

Mr. T. Pollard

Mr. J. Hill

Principal Activities

The principal activity of National Electrical Contractors Association - New South Wales Chapter during the financial year was representing the interests of its members in the electrical and construction industry.

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

Members Right to Resign

Members may resign from the association in accordance with Rule 11, Resignation from Membership, of the Federal Rules of National Electrical Contractors Association. Rule 11 conforms with Section 174, Resignation from Membership, of the RAO Schedule 1B of the Workplace Relations Act 1996.

Operating Result

The profit of the company for the financial year after providing for income tax amounted to \$ 158,004 .

Significant Changes in State of Affairs

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

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 operations of the company, the results of those operations or the state of affairs of the company in future financial years.

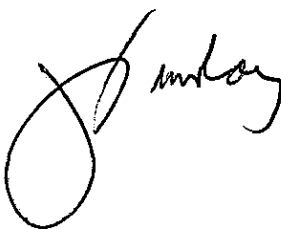
National Electrical Contractors Association - New South Wales Chapter

Operating Report by the Committee

30 June, 2006

Signed in accordance with a resolution of the Members of the Committee:

Director: 

Director: 

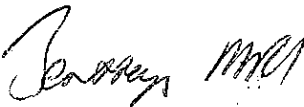
Dated this 31st day of August 2006

**National Electrical Contractors Association
- New South Wales Chapter**

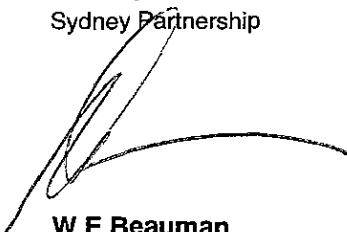
**Auditors Independence Declaration under Section 307C
of the Corporations Act 2001 to the directors of
National Electrical Contractors Association
- New South Wales Chapter**

I declare that, to the best of my knowledge and belief, during the year ended June 30, 2006 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Bentleys MRI
Sydney Partnership



W E Beauman
Partner

Dated: 31 August 2006

Sydney

National Electrical Contractors Association - New South Wales Chapter

Income Statement

30 June, 2006

	Note	2006 \$	2005 \$
Revenue from ordinary activities			
Management fees		542,190	573,279
Annual Conference		152,957	-
Excellence Awards		104,152	105,838
Interest		155,610	138,164
Member services		5,935,938	5,027,949
Member subscriptions		1,081,837	1,222,188
Project Fund income		102,184	54,602
Gain and loss on disposal of assets		3,287	2,919
Gross profit from sales		35,448	48,579
Other revenue from ordinary activities		111,125	236,962
Expenses from ordinary activities:			
Employee benefits expense		(1,008,892)	(994,932)
Annual Conference		(130,650)	-
Excellence Awards		(90,346)	(94,533)
Meeting expenses		(36,142)	(35,539)
Member services		(5,680,210)	(4,788,384)
Education & Training - Project Fund		(102,184)	(54,602)
Depreciation, amortisation and impairments		(103,510)	(108,022)
Audit fees		(22,218)	(14,220)
Bad debts		2,168	745
Office expenses		(22,791)	(15,579)
Computer expenses		(30,723)	(15,453)
Consulting and professional fees		(39,853)	(15,266)
Body corporate and management fees		(62,288)	(35,978)
Utilities expenses		(16,553)	(14,788)
Insurance		(31,299)	(31,091)
Motor vehicle expenses		(17,084)	(25,765)
Printing, postage and stationery		(167,866)	(166,592)
Repairs and maintenance		(13,871)	(4,243)
Subscriptions		(282,904)	(238,038)
Telephone and fax		(55,505)	(51,626)
Travel		(40,271)	(31,333)
Electrocomms Foundation		(14,240)	(14,270)
Other expenses		(99,492)	(235,257)
Profit attributable to members of the entity		158,004	425,714

The accompanying notes form part of these financial statements.

National Electrical Contractors Association - New South Wales Chapter

Balance Sheet

30 June, 2006

	Note	2006 \$	2005 \$
ASSETS			
Current assets			
Cash and cash equivalents	2	1,067,727	1,001,607
Trade and other receivables	3	699,967	598,946
Financial assets	6	3,967,837	3,747,994
Other current assets	5	150,465	21,655
Total current assets		5,885,996	5,370,202
Non-current assets			
Financial assets	6	5	5
Property, plant and equipment	4	1,909,264	1,896,427
Other non-current assets	5	70,000	-
Total non-current assets		1,979,269	1,896,432
TOTAL ASSETS		7,865,265	7,266,634
LIABILITIES			
Current liabilities			
Trade and other payables	7	1,266,658	1,133,564
Short-term provisions	8	2,416,290	2,120,300
Total current liabilities		3,682,948	3,253,864
Non-current liabilities			
Other long-term provisions	8	17,901	6,358
Total non-current liabilities		17,901	6,358
TOTAL LIABILITIES		3,700,849	3,260,222
NET ASSETS		4,164,416	4,006,412
MEMBERS' FUNDS			
Retained earnings		4,164,416	4,006,412
TOTAL MEMBERS' FUNDS		4,164,416	4,006,412

The accompanying notes form part of these financial statements.

National Electrical Contractors Association - New South Wales Chapter

Statement of Changes in Members' Funds

For the Year Ended 30 June, 2006

2006

	Retained Earnings	Total
	\$	\$
Balance at 01 July, 2005	4,006,412	4,006,412
Profit attributable to members of the entity	158,004	158,004
Balance at June 30, 2006	<u>4,164,416</u>	<u>4,164,416</u>

2005

	Retained Earnings	Total
	\$	\$
Balance at July 1, 2004	3,580,699	3,580,699
Profit attributable to members of the entity	425,713	425,713
Balance at June 30, 2005	<u>4,006,412</u>	<u>4,006,412</u>

The accompanying notes form part of these financial statements.

National Electrical Contractors Association - New South Wales Chapter

Statement of Cash Flows

For the Year Ended 30 June, 2006

	Note	2006 \$	2005 \$
Cash from operating activities:			
Receipts from customers		8,759,912	3,075,155
Payments to suppliers and employees		(8,516,499)	(2,687,743)
Interest received		155,610	138,163
Net cash provided by operating activities	11	<u>399,023</u>	<u>525,575</u>
Cash flows from investing activities:			
Proceeds from sale of plant and equipment		20,998	22,727
Payment for property, plant and equipment		(134,058)	(76,432)
Payment for investments		(219,843)	(207,137)
Net cash (used in) investing activities		<u>(332,903)</u>	<u>(260,842)</u>
Net increase in cash held		66,120	264,733
Cash at beginning of financial year		<u>1,001,607</u>	<u>736,874</u>
Cash at end of financial year	2	<u>1,067,727</u>	<u>1,001,607</u>

The accompanying notes form part of these financial statements.

National Electrical Contractors Association - New South Wales Chapter

Notes to the Financial Statements

For the Year Ended 30 June, 2006

Note 1: Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the requirements of the Registration and Accountability of Organisations Legislation (RAO) Schedule 1B of the Workplace Relations Act 1996.

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report of National Electrical Contractors Association - New South Wales Chapter as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(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.

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Property

Freehold land and buildings are carried at cost or at independent or committee of managements' valuation.

Plant and equipment

Plant and equipment are measured on the cost basis.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, is depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

National Electrical Contractors Association - New South Wales Chapter

Notes to the Financial Statements

For the Year Ended 30 June, 2006

Note 1: Statement of Significant Accounting Policies continued

(b) Property, Plant and Equipment continued

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Furniture, Fixtures and Fittings	10 - 20%
Motor Vehicles	20%
Office Equipment	20%
Leasehold improvements	2.5 - 4%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

(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 short-term borrowings in current liabilities on the balance sheet.

(d) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

(e) Revenue

Revenue from the sale of goods is recognised upon the delivery of service to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Other revenue 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).

National Electrical Contractors Association - New South Wales Chapter

Notes to the Financial Statements

For the Year Ended 30 June, 2006

Note 1: Statement of Significant Accounting Policies continued

(f) Financial Assets

Available-for-sale financial assets

All investments are classified as available-for-sale financial assets. Available-for-sale financial assets are reflected at fair value unless their fair value cannot be reliably measured. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

(g) Project Funds - Provision for Industry Education and Training

Funds received from the Mechanical and Electrical Redundancy Trust (MERT) are initially placed into a Project Bank account and a liability is raised for provision of industry education and training. The Association uses these funds to subsidise training courses and to finance industry education and training related projects. Separate subsidiary records are maintained for the project account. Refer Note 13.

(h) Controlled entities

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

Note 2: Cash and Cash Equivalents

	2006	2005
	\$	\$
Cash on hand	-	684
Cash at bank	1,067,727	1,000,923
	<u>1,067,727</u>	<u>1,001,607</u>

Reconciliation of Cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	1,067,727	1,001,607
	<u>1,067,727</u>	<u>1,001,607</u>

National Electrical Contractors Association - New South Wales Chapter

Notes to the Financial Statements

For the Year Ended 30 June, 2006

Note 3: Trade and Other Receivables

	2006 \$	2005 \$
CURRENT		
Trade receivables	688,971	586,697
	<u>688,971</u>	<u>586,697</u>
Provision for impairment of receivables	-	(6,000)
	<u>-</u>	<u>(6,000)</u>
Other debtors	10,996	18,249
	<u>699,967</u>	<u>598,946</u>

Note 4: Property Plant and Equipment

BUILDINGS

Buildings		
At cost	2,035,627	2,005,627
Less accumulated depreciation	(305,630)	(255,333)
Total buildings	<u>1,729,997</u>	<u>1,750,294</u>

PLANT AND EQUIPMENT

Furniture, fixtures and fittings		
At cost	96,786	96,131
Less accumulated depreciation	(73,922)	(68,593)
Total furniture, fixtures and fittings	<u>22,864</u>	<u>27,538</u>
Motor vehicles		
At cost	89,338	127,469
Less accumulated depreciation	(23,018)	(64,688)
Total motor vehicles	<u>66,320</u>	<u>62,781</u>
Office equipment		
At cost	236,990	262,307
Less accumulated depreciation	(146,907)	(206,494)
Total office equipment	<u>90,083</u>	<u>55,813</u>
Total plant and equipment	<u>179,268</u>	<u>146,132</u>
Total property, plant and equipment	<u>1,909,264</u>	<u>1,896,426</u>

National Electrical Contractors Association - New South Wales Chapter

Notes to the Financial Statements

For the Year Ended 30 June, 2006

Note 4: Property Plant and Equipment – Cont'd

Movements in Carrying Amounts

	Buildings	Furniture, Fixtures and Fittings	Motor Vehicles	Office Equipment	Total
	\$	\$	\$	\$	\$
Balance at the beginning of year	1,750,295	27,538	62,781	55,812	1,896,426
Additions	30,000	655	45,408	57,994	134,057
Disposals	-	-	(18,077)	368	(17,709)
Depreciation expense	(50,298)	(5,329)	(23,792)	(24,091)	(103,510)
Carrying amount at the end of year	<u>\$ 1,729,997</u>	<u>\$ 22,864</u>	<u>\$ 66,320</u>	<u>\$ 90,083</u>	<u>\$ 1,909,264</u>

Note 5: Other Assets

	2006	2005
	\$	\$
CURRENT		
Prepayments	96,466	14,326
Other asset	53,999	7,329
	<u>150,465</u>	<u>21,655</u>
NON-CURRENT		
Other asset	70,000	-
	<u>70,000</u>	<u>-</u>
	<u>70,000</u>	<u>-</u>

National Electrical Contractors Association - New South Wales Chapter

Notes to the Financial Statements

For the Year Ended 30 June, 2006

Note 6: Financial Assets

	2006 \$	2005 \$
Available for sale financial assets	<u>3,967,842</u>	<u>3,747,999</u>
	<u>3,967,842</u>	<u>3,747,999</u>
Less non-current portion	<u>(5)</u>	<u>(5)</u>
Current portion	<u>3,967,837</u>	<u>3,747,994</u>

Available-for-sale Financials Assets Comprise:

Unlisted investments, at cost		
shares in controlled entities	2	2
shares in associates	3	3
	<u>5</u>	<u>5</u>
Unlisted investments, at fair value		
Units in BT Financial	<u>3,967,837</u>	<u>3,747,994</u>
	<u>3,967,842</u>	<u>3,747,999</u>
Total available-for-sale financial assets	<u>3,967,842</u>	<u>3,747,999</u>

Available-for-sale financial assets comprise of investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity date attached to these investments.

National Electrical Contractors Association - New South Wales Chapter

Notes to the Financial Statements

For the Year Ended 30 June, 2006

Note 7: Trade and Other Payables

	2006 \$	2005 \$
CURRENT		
Trade payables	605,205	609,329
	<u>605,205</u>	<u>609,329</u>
Amounts received in advance	565,677	459,721
Deposits	18,640	18,640
Accrued expenses	74,114	44,422
Other payables	3,022	1,452
	<u>661,453</u>	<u>524,235</u>
	<u>1,266,658</u>	<u>1,133,564</u>

Note 8: Provisions

Current		
- Employee benefits	265,896	243,072
- Education and training – Project Fund	2,146,653	1,868,372
- Other	3,741	8,856
	<u>2,416,290</u>	<u>2,120,300</u>
Non-current		
- Employee benefits	17,901	6,358
	<u>2,434,191</u>	<u>2,126,658</u>

Note 9: Related Party Transactions

Executive Committee Members

The names of each person on the Executive Committee of the Association during the financial year are Messrs R Young, S Griffiths, A H Glossop, D R Madson, K. Smith, R J Bateman, T Pollard, J. Hill and J C Tinslay (secretary).

No volunteer member of the Executive Committee received any remuneration during the year for performing their duties as a member of the Executive Committee.

National Electrical Contractors Association - New South Wales Chapter

Notes to the Financial Statements

For the Year Ended 30 June, 2006

Note 9: Related Party Transactions – Cont'd

ECA Training Pty Limited

The Association charges administration fees to ECA Training Pty Limited for the expenses incurred on its behalf and for the provision of administrative services and occupancy of Level 3 of 28 Burwood Road. A fixed fee of \$50,000 based on a commercial estimate of time and cost involved in providing these services is charged on a quarterly basis.

The Association also provides part funding to the company from its Project Fund (Note 1(g)) for training of apprentices. The amount paid / payable during the year was \$60,000 (2005:\$60,000).

The Association also has an investment in Westpac Financial Services on behalf of the company. At balance date, the total investment was \$1,615,501 (2005:\$1,525,991). The investment is not included in these accounts.

Note 10: Segment information

The Association primarily operates New South Wales, Australia representing the interests of its members in electrical and construction industry.

Note 11: Cash Flow Information

Reconciliation of Cash Flow from Operations with Profit after Income Tax

	2006	2005
	\$	\$
Net income for the period	158,004	425,713
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
Depreciation	103,510	108,022
Net gain on disposal of property, plant and equipment	(3,287)	(2,919)
Changes in assets and liabilities		
(Increase) in trade and term receivables	(102,274)	(132,254)
Decrease in prepayments	-	190,331
Decrease/(increase) in trade payables and accruals	(60,333)	32,714
Increase/(decrease) in provisions	303,403	(96,032)
	<u>399,023</u>	<u>525,575</u>

National Electrical Contractors Association - New South Wales Chapter

Notes to the Financial Statements

For the Year Ended 30 June, 2006

Note 12: Financial Instruments

(a) Interest Rate Risk

The economic entity's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Fixed Interest Rate Maturing Within 1 Year		Floating Interest Rate		Non-interest Bearing		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets:										
Cash and cash equivalents	4.30	4.30	-	-	1,067,727	1,001,607	-	-	1,067,727	1,001,607
Investments	-	-	3,967,837	3,747,994	-	-	-	-	3,967,837	3,747,994
Total Financial Assets			3,967,837	3,747,994	1,067,727	1,001,607			5,035,564	4,749,601
Financial Liabilities:										
Trade and sundry creditors	-	-	-	-	-	-	1,266,658	1,307,504	1,266,658	1,307,504
Total Financial Liabilities							1,266,658	1,307,504	1,266,658	1,307,504

(b) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

Credit risk for derivative financial instruments arises from the potential failure by counter-parties to the contract to meet their obligations. The credit risk exposure to forward exchange contracts and interest rate swaps is the net fair value of these contracts.

The economic entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the economic entity.

National Electrical Contractors Association - New South Wales Chapter

Notes to the Financial Statements

For the Year Ended 30 June, 2006

Note 12: Financial Instruments – Cont'd

(c) Net fair values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying values. No financial assets or financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the company intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

Note 13: Project Fund

The Association received funding for industry education and training projects arising from submissions to the Mechanical and Electrical Redundancy Trust (MERT).

The Association received reimbursement of \$152,334 (2005: \$194,338) from the Project Fund for direct expenses incurred with industry initiatives associated with training, occupational health & safety and the like. Interest received during the year of \$115,210 (2005: \$110,333) has been credited to the project fund.

Separate subsidiary records and bank accounts are maintained for the receipts from MERT. The Association uses these funds to subsidise training courses and to finance industry education and training related projects.

At 30 June 2006, \$2,146,653 remained in the project account. The assets and liabilities of the Trust are disclosed in the financial statements as follows:

	2006 \$	2005 \$
Cash at Bank - Project Fund	199,008	33,438
Debtors	30,626	11,046
Investment	1,899,233	1,894,004
Fixed assets - carrying amount	19,656	1,666
Trade creditors	(1,870)	(71,782)
	<u>2,146,653</u>	<u>1,868,372</u>
Provision for industry education & training - Project Fund	<u>2,146,653</u>	<u>1,868,372</u>

National Electrical Contractors Association - New South Wales Chapter

Notes to the Financial Statements

For the Year Ended 30 June, 2006

Note 14: Association Details

The registered office of the association is:

National Electrical Contractors Association - New South Wales Chapter

Level 3, 28 Burwood Road

Burwood NSW 2134

National Electrical Contractors Association - New South Wales Chapter

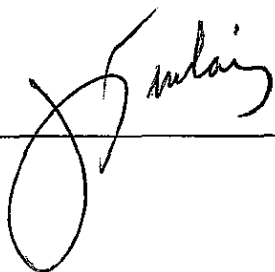
Certificate By Members Of The Committee

In the opinion of the committee the financial report as set out in pages 4 to 18:

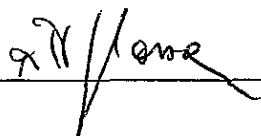
1. presents fairly the financial position of National Electrical Contractors Association – New South Wales Chapter as at 30 June 2006 and its performance for the financial year ended on that date in accordance with the Australian Accounting Standards and other mandatory professional reporting requirements and the authoritative pronouncements of the Australian Accounting Standards Board.
2. the financial statements and notes comply with the reporting guidelines of the Industrial Registrar.
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the association for the financial year ended on 30 June 2006.
4. at the date of this statement, there are reasonable grounds to believe that National Contractors Association – New South Wales Chapter will be able to pay its debts as and when they fall due.
5. during the financial year and since the end of the year.
 - a. meetings of the committee were held in accordance with the rules of the association;
 - b. the financial affairs of the association have been managed in accordance with the rules of the association;
 - c. the financial record of the association have been kept and maintained in accordance with the RAO schedule and the RAO Regulations;
 - d. there have been compliance with any order for inspection of the financial records made by the Commission under section 273 of the RAO Schedule.

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

J C Tinslay



A H Glossop



Dated this 31st day of August

2006

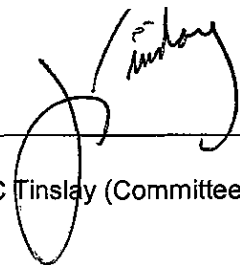
National Electrical Contractors Association - New South Wales Chapter

Statement By Members Of The Committee

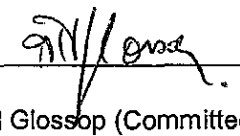
I, J C Tinslay of 9/5 Holtermann Street, CROWS NEST NSW 2065 AND I, A H GLOSSOP OF Unit 11, 17-21 Virginia Street, Wollongong NSW 2500 CERTIFY THAT:

- (a) We are members of the committee of National Electrical Contractors Association – New South Wales Chapter.
- (b) We are authorized by the attached resolution of th committee to sign this certificate.
- (c) This annual statement was submitted to the members of the association at its annual general meeting.

Dated this 31st day of August 2006



J C Tinslay (Committee Member)



A H Glossop (Committee Member)

National Electrical Contractors Association New South Wales Chapter

Independent Audit Report to the members of National Electrical Contractors Association - New South Wales Chapter

Bentleys MRI Sydney Partnership
ABN 68 093 412 031

Level 3, 31 Market Street
Sydney NSW 2000

GPO Box 3356
Sydney NSW 2001

T +61 2 9994 1000
F +61 2 9994 1001
admin@sydn.bentleys.com.au
www.bentleys.com.au

Scope

The financial report and committee's responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the statement by members of the committee for National Electrical Contractors Association - New South Wales Chapter, for the year ended 30 June 2006.

The committee of the association is responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the association. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the requirements of the Registration and Accountability of Organisations Legislation (RAO) Schedule 1B of the Workplace Relations Act 1996, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the association's financial position, and of their performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

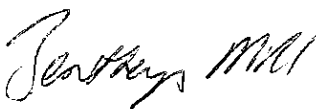
Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion,

- (i) there were kept by the Association in respect of the year ended 30 June 2006, satisfactory accounting records detailing the sources and nature of the income of the organisation (including income from members) and the nature and purposes of the expenditure;
- (ii) the attached financial report, prepared under the historical cost convention and in accordance with Section 253 of the Registration and Accountability of Organisations Legislation (RAO) Schedule 1B of the Workplace Relations Act 1996 and applicable Accounting Standards and other mandatory professional reporting requirements, are drawn up so as to give a true and fair view of:
 - (a) the financial affairs of the National Electrical Contractors Association - New South Wales Chapter as at 30 June 2006;
 - (b) the statement of income and expenditure, cash flows and surplus of the Association for the financial year ended on that date; and
 - (c) all information and explanations required by RAO Schedule 1B of the Workplace Relations Act 1996, to be provided by officers or employees were provided. Scope



Bentleys MRI
Sydney Partnership



W E Beauman
Partner

Dated: 31 August 2006

Sydney



New South Wales chapter | **national electrical and communications association**
Level 3, 28 Burwood Road Burwood New South Wales 2134 Australia
PO Box 1106 Burwood North New South Wales 2134 Australia
telephone: +61 2 9744 1099 facsimile: +61 2 9744 1830
email: necansw@neca.asn.au website: www.neca.asn.au
ABN 27 056 174 413

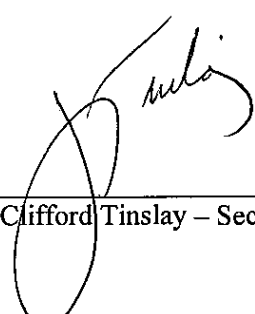
NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION

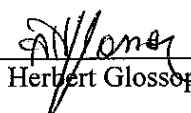
NEW SOUTH WALES CHAPTER

EXECUTIVE COMMITTEE'S CERTIFICATE

We, James Clifford Tinslay and Anthony Herbert Glossop, being two members of the Executive Committee of the National Electrical Contractors Association, New South Wales Chapter, do state on behalf of the Executive Committee and in accordance with a resolution passed by the Executive Committee that:

- I. in the opinion of the Executive Committee, the attached accounts show a true and fair view of the financial affairs of the New South Wales Chapter as at 30 June, 2006;
- II. in the opinion of the Executive Committee, meetings of the Executive Committee were held during the year ended 30 June, 2006, in accordance with the rules of the New South Wales Chapter;
- III. I to the knowledge of any member of the Executive, there have been no instances where records of the New South Wales Chapter or other documents (not being documents containing information made available to a member of the Association under sub-section 274(2) of the Workplace Relations Act 1996) or copies of those records or documents, or copies of the rules of the Association, have not been furnished, or made available to members in accordance with the requirements of the Workplace Relations Act 1996, the Regulations thereto, or the rules of the organisation; and
- IV. the organisation has complied with sub-section 279(1) and (6) of the Act in relation to the financial accounts in respect of the year ended 30 June, 2006, and the auditor's report thereon.



James Clifford Tinslay – Secretary

Anthony Herbert Glossop

Date: 5 October, 2006



NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION

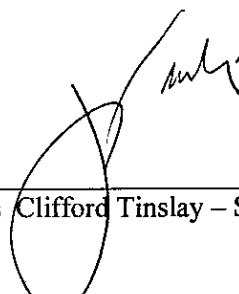
NEW SOUTH WALES CHAPTER

ACCOUNTING OFFICER'S CERTIFICATE

I, James Clifford Tinslay being the officer responsible for keeping the accounting records of the National Electrical Contractors Association New South Wales Chapter, certify that as at 30 June, 2006, the number of members of the Chapter was 1463.

In my opinion,

- I. the attached documents show a true and fair view of the financial affairs of the New South Wales Chapter as at 30 June, 2006;
- II. a record has been kept of all monies paid by, or collected from, members and all monies so paid or collected have been credited to the bank account to which those monies are to be credited in accordance with the rules of the organisation;
- III. before any expenditure was incurred approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation;
- IV. with regard to funds of the organisation raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated;
- V. no loan or other financial benefits, other than remuneration in respect of their full-time employment with the New South Wales Chapter, were made to persons holding office in the New South Wales Chapter; and
- VI. the register of members of the organisation was maintained in accordance with the Workplace Relations Act 1996.


James Clifford Tinslay – Secretary

Date: 5 October, 2006