

FR2011/2600



national
electrical and
communications
association

NEW SOUTH WALES CHAPTER

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ABN: 27 056 174 413

14 October 2011

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



Dear Mr Pfeiffer

**Lodgement of Financial Documents for year ended 30 June 2011 (FR2011/2600)
Fair Work (Registered Organisations) Act 2001 (the RO Act)**

Please find attached the reports and accounts required for NECA NSW in accordance with the Workplace Relations Act for the year ended 30 June 2011.

The financial statements for the year ended 30 June 2011 were forwarded to members on 2 September 2011. The Annual General Meeting of members was held on 23 September 2011. A copy of the Notice of the Annual General Meeting sent to members is also attached.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Lindsay Le Compte'.

Lindsay Le Compte
SECRETARY



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Burwood North NSW 2134 ABN: 27 058 174 413

I, Lindsay Graham LE COMPTE, being the Secretary of the National Electrical Contractors Association, NSW Chapter, certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members on 2 September 2011, and
- that the full report was presented to a general meeting of members of the reporting unit on 23 September 2011; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature:

Date: 14 October 2011



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

I, Lindsay Graham Le Compte, 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 2 September 2011 and presented to the Annual General Meeting of members of the Chapter held on 23 September 2011.

**LINDSAY GRAHAM LE COMPTE
SECRETARY**

Date: 14 October 2011



AGENDA

ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 18th Annual General Meeting of the National Electrical Contractors Association New South Wales Chapter will be held at **11.30 am on Friday 23 September 2011** in the **Parkside G01 Room, ground level, Sydney Convention and Exhibition Centre, Darling Harbour**

1. Apologies.
2. Confirmation of Minutes of the 17th Annual General Meeting held on 24 September 2010.
3. Submission of President's Report.
4. Presentation of the audited Financial Report and Balance Sheet for the twelve months ended 30 June 2011.
5. General Business.

L G LE COMPTE
SECRETARY

NOTE: THE AGM FOR ECA WILL BE HELD AT 11.45 AM



NECA NSW ANNUAL REPORT

2010/2011



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Introduction

NECA NSW Executive Committee

Member President	Mr Stephen Griffiths Phasor Electrical Pty Ltd
Member Vice President – Appointed 4 November 2009 Resigned as Vice-President 31 March 2011	Mr Kelvin Smith Kelvin's Electrical Services (Australia) Pty Ltd
Member Vice-President – Appointed 13 April 2011	Mr Alan Brown Fredon Industries
Member Treasurer	Mr Bruce Duff Ric Electrics Pty Ltd
Member	Mr Russell Houlahan Downer EDI Engineering Pty Ltd
Member	Mr Stephen Kerfoot Kerfoot Electrics Pty Ltd
Member Appointed 19 May 2011	Mr Frank Marrone FCM Electrical Services
Member	Mr David Orr Crown Cabling Pty Ltd
Member Appointed to 19 May 2011 - Did not stand for re-election	Mr Anthony Pollard Tony Pollard Electrics Pty Ltd
Member Resigned 13 July 2011	Mr Kelvin Smith Kelvin's Electrical Services (Australia) Pty Ltd
Secretary and Chief Executive Officer	Mr Lindsay Le Compte NECA NSW

Introduction

President's Report

The 2010/2011 financial year has been a testing one for the industry and for NECA.

The year included the election of a new government in the state in a landslide victory that has created a significant degree of expectation that the state's fortunes will turn around and NSW will again be able to hold its head up as the Premier state.

The year also incorporated the commencement of celebrations of the 75th anniversary of NECA in NSW – certainly a landmark of itself.

The economic situation has been patchy at best and NECA contractors, along with many others, have suffered the effects of the failure of many builders and developers.

On a brighter note, the establishment of our own law firm, NECA Legal, has been a major factor in many contractors being able to recoup outstanding moneys or to more effectively risk manage business proposals and thus protect their business interests. The law firm continues to attract new clients as members become aware of the many benefits of having access to lawyers who understand our industry.

In my report to you last year, I also spoke about the establishment of NECA Training Ltd, our new registered training company. During the financial year, the organisation passed with flying colours its first statutory audit and has proceeded to develop the training opportunities that will be available to members at a range of venues including new premises expected to be operating in Western Sydney by the end of September 2011.

NECA Group Training, our industry leading group training company, again completed the year in a strong position thanks to the Chairmanship of Peter Fitzpatrick and Board members Tony Glossop (Treasurer), Mark Brame, Randell Easthorpe, Stephen Kerfoot and James Tinslay and the work undertaken by General Manager Barry Dawson and his team.

The members of the NECA Executive Committee deserve our special thanks. Being a member of the Executive Committee exposes members to the full range of multi layered issues that NECA staff address on a daily basis. The range of issues covered is very wide and generally a real eye opener for new Executive Committee members.

It must also be remembered that the Committee undertakes the role on a fee free basis and members also give up additional personal and

business time to be involved in various operational committees. So, my thanks to Alan Brown, Bruce Duff, Russell Houlahan, Stephen Kerfoot, Frank Marrone, David Orr, Tony Pollard and Kelvin Smith for their input and advice this year.

My special thanks to Tony Pollard and Kelvin Smith, both of whom left the Committee this year but have served on the Executive Committee for a number of years with great distinction. A big welcome to new Committee member Frank Marrone from Taree. It is pleasing to have another smaller contractor on the Committee with the added value of being a regional member.

I am also grateful to the Branch Chairmen and Secretaries, as well as the other Branch officers for their tireless work, particularly during the difficult times when members are very busy and have little time to spare to attend Branch meetings.

I would especially like to thank our Chief Executive, Lindsay Le Compte, and all of the NECA managers and staff for their commitment over the year. Management of an organisation with diverse interests such as NECA is a daunting one when general operational and project work has to be blended with the provision of often urgent assistance to members or responses to major government initiatives or media issues.

NECA does not operate a large administrative operation so our managers and staff need to be multi-skilled to address the significant issues they face each day.

This brings me to the future for NECA and its membership as we work through the 2010/2011 financial year. There are still a number of projects to complete and much work still to do in terms of our involvement with our major stakeholders.

For members, NECA will be providing further enhanced services and a permanent road show program to enhance our communication with the industry.

My best wishes go to all members for a successful 2011/2012 financial year.

Stephen Griffiths
President

Year in Review

Chief Executive Officer's Report

The 2010/2011 financial year delivered more of the same complexities as the previous two years have done for NECA members and staff.

These are indeed tough times for all businesses and they present particular difficulties for industry associations charged with responsibility for assisting their members to maintain their business positions. Nevertheless, NECA staff have continued to rise to the occasion in assisting members and in seeking change for the betterment of the industry.

The first three quarters of the year were taken up with responding to further issues and proposals raised by the former state government as it attempted to close off its books in terms of the election. This was followed by a further short hectic period after the state election in late March 2011.

During the year we continued our involvement in the development of a new regulatory scheme for accredited service providers and worked with other industry bodies to resist an attempt by the former government to make major changes to legislation relating to the security industry that could have potentially very damaging impacts on business and economic development in the state.

Perhaps the most significant and publicly volatile issue that we became involved with related to the solar rebate debacle. Activity by both the former and new government in winding back and then withdrawing the opportunity for industry and consumers to access gross feed-in tariffs for the installation of solar generation systems was a very emotive and economically damaging issue.

While it was clear from the outset that the gross feed-in tariff scheme always had a finite life, the way in which the scheme was managed left a great deal of ill will in the minds of the community and business.

As part of this process, our representations to government about the dangers of allowing the installation of solar panels to be implemented in a largely unregulated manner ultimately resulted in government action involving NECA members providing specialist audit support to NSW Fair Trading. Unfortunately, the solar audit uncovered widespread non-compliance and defective work in the area covered by the audit and the government must now address how it will restore confidence in the industry.

At the national level, we continued to provide an industry leading role in the development of national occupational health and safety legislation with David Bowen, our senior OHS advisor, playing a key advisory role in the preparation of submissions by the Australian Chamber of Commerce and Industry.

I would like to express my appreciation to the NECA staff for the significant work they do that is not often seen or evident to industry participants in a day to day context. NECA provides leading edge services to members on the one hand while undertaking significant work at the governmental level in guiding and informing government as to the appropriate means of addressing industry-wide issues.

Often, the excellent work performed by staff in the governmental or key stakeholder areas does not bear fruit for months or even years but the ultimate outcomes we seek to achieve do provide significant long term benefits to NECA's members.

I am very pleased that we have been able to maintain the service provided through NECA Legal. We established NECA Legal to provide business protection to our members by representing them in litigation and contractual disputes as well as the review of legal and commercial risk factors in contract documentation.

Assunta Maude and the legal team have worked tirelessly to assist members to achieve outcomes that were often regarded by individual members as unobtainable. The provision of these services by NECA is what the Association is all about. The legal team goes the extra distance to achieve the outcome for members and has been particularly successful.

NECA Training Ltd, our new registered training organisation, also had a successful year in the development of the business and preparation for obtaining its own premises. Unfortunately, toward the end of the year our first General Manager, Danny Collins, left the company to take up a senior position in another training organisation. In an industry as tough as the industry training sector it is not unexpected for senior staff to be poached by others and we wished Danny well in his new endeavours.

However, we were ourselves able to secure the services of Paul Burgess as our new General

Year in Review

Chief Executive Officer's Report

Manager of NECA Training Ltd Paul was appointed in late June and commenced work on 4 July 2011. Within the first two weeks of his appointment, Paul had finalised the search for the company's new premises and development of the facility is under way. Congratulations to Paul on the appointment and the significant early success.

Our Member Services Department under Pamela Scott has been particularly busy coordinating services to members while, at the same time, being involved in the management of a number of business development issues. The coming financial year will again be a busy one for our member services team as we implement a range of business assistance programs and meet the challenges of business operations.

I would also like to pay tribute to Barry Dawson, my Deputy Chief Executive and General Manager of NECA Group Training. Barry and his team perform an extremely valuable service on behalf of the industry in the employment and development of industry apprentices. Barry is also a great support to me personally as he is able to draw on a lifetime of industry experience.

NECA is also well-served by the support that it receives from those of its members who take the time to assist the organisation in its industry developmental activities. My thanks go to the many members who have provided input to submissions we have made to government reviews and other requirements.

My thanks also go to the members who have served on various internal working groups, or who have represented NECA on various government committees and working parties. This support is typical of the commitment that NECA members have for their industry and their input is greatly appreciated.

Finally, I would like to thank NECA NSW President, Stephen Griffiths, for his personal support and also the NECA members who serve on the Executive Committee and related entities. I greatly value the input I receive from the Executive Committee members who are representative of a wide range of our membership. They bring differing perspectives to the discussions and decision making that emanate from the Executive Committee meetings and this is indicative of the strength and vibrancy of the organisation.

I look forward to continuing to develop and provide services and assistance to members in the 2011/2012 financial year.

Lindsay Le Compte
Chief Executive Officer

Year in Review

Employee Relations

During the course of the year, the Employee Relations Department provided input and advice in a wide range of employee relations issues.

Fair Work Australia (FWA) – Minimum Wage Determination

FWA handed down its second Annual Wage Review decision for 2011 at the end of June increasing minimum wages by 3.4% per week. These rates were required to be part of the transitional arrangements for Award Modernisation.

Workplace Agreements

The interest for Enterprise Agreements by members under the Fair Work Act 2009 has remained steady. The department has assisted with the implementation and approval of approximately 50 non union agreements.

During this period, the department has also assisted in numerous Union Enterprise Agreements.

Shared Industry Assistance Program

The department was integral in the development of the Shared Industry Assistance Program that was developed in partnership with the Fair Work Ombudsman.

As part of the process NECA was required to develop and publish the following:

1. Modern Award and NES Guide
2. Modern Award Webinar

NECA was also responsible for providing general advice and assistance to all participants in the Industry.

Home Building Industry Guide

The department took part in a Committee of employer associations convened by the NSW Office of Industrial Relations.

As part of the Committee, NECA provided guidance and advice on the content of a Modern Award Seminar Series provided by the Industrial Relations. In addition, NECA provided advice on the drafting of a Home Building Booklet developed and published by the Office of Industrial Relations.

We dealt with discontent by providing a superior service to that which was provided previously.

The original service, which was free, was also made available to members and in 99% of cases, members elected to pay the additional fee for the superior service.

Department Publications

The department has previously advised of the development of a series of publications including:

1. Termination Handbook
2. Guide to Enterprise Bargaining
3. Modern Award and NES Guide
4. Policy Handbook.

The department continues to review each of the publications to ensure that they remain contemporary. Where appropriate, developments in recent cases have been incorporated into publications.

The department is considering the development of a further publication which would provide assistance and insight into Recruiting Employees. This is seen as a critical issue for small and larger businesses, particularly in light of the issues relating to termination of employment.

Oliver Judd
Employee Relations Manager

Year in Review

NECA Legal

NECA Legal Pty Limited was incorporated in January 2010 when it became apparent that the services being provided by NECA needed to be supported through a formalised legal practice.

NECA Legal was established for the purpose of providing reasonable cost, high quality services to the electrotechnology industry in business areas where industry knowledge and experience are essential to achieving the outcomes required.

The key areas of operation of NECA Legal at this stage of its development are as follows:

- Contract assessment and review
- Commercial advice
- Security of Payment matters
- Debt recovery
- Alternative dispute resolution
- Arbitration and mediation

In October, 2010 Jane Button, a specialist construction law, litigation and dispute resolution solicitor, was appointed to further bolster the services being provided to members.

A number of Adjudication Applications under the Building and Constructions Industry Security of Payment Act have all proven successful with funds exceeding hundreds of thousands of dollars being recovered on behalf of members.

Proceedings commenced in either the District Court or Local Court have all resulted in settlement of the dispute with members being paid the amounts claimed and often the settlement amount included interest and costs.

Apart from the fee paying clients, staff at NECA Legal also provide legal advice and assistance to NECA Members at no charge, and as at 30 June 2011 the hours for the provision of those services exceeded 650.

NECA members continue to benefit from the various training objectives and seminars delivered, particularly at the Branch Meeting level where informal discussion on various topics affecting members and their businesses have been extremely well received.

In conclusion, the benefit for NECA members of having a purpose based law firm available to provide advice and assistance places NECA members at a significant advantage to other industry sectors.

Time and again staff are able to achieve outcomes because the relevant member client has had the foresight to involve NECA Legal early in the dispute process or has avoided the risk of disputation through the more effective risk management of issues identified by NECA Legal when assessing contracts or tender documentation.

The practice is there for members and we trust that NECA members will take full advantage of the service during the coming year.

Assunta Maude
Solicitor Director
NECA Legal

Year in Review

Occupational Health and Safety

OHS is a significant cost to our industry and no cost is greater than that of a safety incident. NECA continues to provide advice and assistance to members in meeting legislative obligations and improving OHS performance by way of incident reduction or prevention, as well as addressing the expectations of builders, clients and the regulators.

Along with the program of national OHS harmonisation there have been a number of key developments that affect our members.

National OHS Harmonisation

Following the release of the model WHS Act, the new NSW WHS Bill has been passed by both houses of parliament and will commence on 1st January 2012.

Safe Work Australia is well advanced with the finalisation of the new model WHS Regulations and many of the supporting Codes of Practice will be released prior to the end of 2011.

NECA continues to be heavily involved in providing input in the drafting of the model legislation but it is the regulators that have control of content and it has been difficult to gain traction in some areas. In particular, we have been unable to achieve a separation of testing from electrical work and that would have serious implications for the industry. This is a work in progress and hopefully we can provide a positive report as we draw closer to the commencement date.

Draft codes for the electrical industry are being prepared and will cover Risk Management in Electrical Work, Overhead and Underground Power Lines and RCDs.

Electrical Safety Issues with Solar Installations

NECA provided resources and developed procedures for the NSW Office of Fair Trading to undertake compliance inspections of the Solar PV Installation on some 600 Sydney homes. Many installations were found to have issues and there is clearly an ongoing need to confirm compliance of these installations.

NECA has now prepared procedures and checklists so that suitably qualified members are able to pursue work in this area.

NECASafe Online

Following a successful trial period, NECA has launched the new web based Safety Management System for the use of participating members. The system platform has been populated with safety, quality and environmental policies and procedures.

NECASafe Online also has a number of database modules that provide each subscribing member with the ability to record incidents and other relevant information as your record.

With the introduction of new OHS/WHs, system documentation will require extensive upgrade and the platform will allow NECA to facilitate that process in an orderly and seamless manner.

David Bowen
Senior OHS Advisor

Year in Review

NECA Training Ltd

In its first year of operations, NECA Training Ltd has maintained the existing NECA training offer while, at the same time, scoping a number of new training courses and opportunities.

The future for the industry is in the development of new technologies and systems and in more efficient business practices. In this respect, NECA Training has been established to develop and access training courses and training partners that will enable NECA to provide industry leading training options.

In terms of the delivery of our suite of training courses, we have and will continue to enter into partnership agreements with various training organisations including the NSW Department of Education and Training to expand the geographical area from which our training may be delivered.

We will also deliver training through blended learning processes that will be attractive to many members who may not have sufficient time to attend face to face training but who may have time outside business hours to access computer based components of training options.

Importantly, we intend to operate our training courses as far as possible to meet the convenience of our members in terms of limiting the impact on their businesses. In this respect, we will work with our partners and through our own trainers to deliver courses outside normal hours and at weekends where appropriate.

During the year, the company was audited for the first time by VETAB, the industry regulator. Registered Training Organisations are highly regulated and it was particularly pleasing that we successfully passed our first audit.

The next step for NECA Training Ltd will be the establishment of our first standalone training facility. We are working on the facility being located in the Western Suburbs of Sydney close to the key road and related transport hubs and current planning is based on opening around end September 2011.

The establishment of NECA Training Ltd in NSW, and the opening of the new facility, represents another step in the development of NECAs Australia-wide training business.

The NSW operations are coming on line in the footsteps of NECAs Victorian Chapter gaining control of two training facilities in Melbourne as part of arrangements that result in the Electrical Trades Union no longer having a financial or operational interest in those businesses, and in conjunction with NECAs Western Australia Chapter commencing work on the development of a third training campus in that state.

The financial investment made this year by the NSW Executive Committee, to provide seed funding for the establishment and development of NECA Training Ltd, shows great foresight and is expected to result in significant long term benefits for the Association and its members.

Lindsay Le Compte
Chief Executive
NECA Training Ltd

Year in Review

Member Services and Administration

NSW Chapter Branches

The NSW Chapter has an extensive network of branches covering the Sydney Metro, Wollongong, Gosford and Newcastle regions as well as regional country areas of New South Wales. Attendance at branch meetings and interaction with existing branch members is a great way for new members to develop their industry knowledge and experience.

The branch network not only provides a forum for members to exchange views and discuss industry issues, it is also an important forum for presentations by industry experts and for manufacturers and wholesalers to showcase new products. While the branches operate on a semi-autonomous basis, member services and other staff provide assistance in many ways including general administration and arrangements for speakers.

This year Mark Pullen joined NECA NSW to provide support and services to the branch network and can be contacted if you are interested in more details on the network.

Member Stationery

NECA continues to provide a range of forms and stationery for use by members in their business activities. Our most popular sales are Safety Guide for employees (known as the Red Book) contract, quotation books and Australian Standards.

NECA Apprentice and Excellence Awards

The NECA Excellence Awards continue to go from strength to strength thanks to the commitment of our members in nominating projects that showcase some of the most complex and rewarding work undertaken in the country, as well as by nominating their top apprentices for the Apprentice Awards. The awards would not be possible without the support of members of our Business Partners and the work of our dedicated staff, in particular Marie Jones.

NECA NSW Conference 2010

This year's conference was held in late March at Shoal Bay Resort and Spa with the theme *Learn How to Stay Ahead of the Competition*. The conference was opened by Lindsay Le Compte followed by the State of the Nation with NECA National CEO James Tinslay. The keynote speaker was Besa Deda Chief Economist St George Bank.

Parallel sessions were used again this year and sessions included:

- Keep on Top of Your Business - Alyson Ogilvie-Lee, New Level Management
- Insurances – Alan Lyne and David Wyner, InterRISK
- Renewable Energy and Energy Auditing, Lindsay Le Compte NECA NSW
- Employee Relations, How do I manage it – Oliver Judd NECA NSW
- Contracting with Others – Assunta Maude, NECA legal
- Drugs and Alcohol in the Workplace – Rhett Morris, Bulletproof People
- Internet Marketing – Dominic Feenan, NECA National
- Bullet Proof People – Rhett Morris, Bulletproof People
- New Model WHS Legislation – Peter Robinson, WorkCover NSW

Guests managed to have a great time enjoying both the social activities such as golf, game fishing and parasailing and the evenings included a dinner cruise and the main themed dinner of Arabian Nights with guests enjoying a camel ride as pre-dinner entertainment.

The annual conference continues to be a great opportunity for attendees to network and to hear about new developments in the industry that adds much value to business decisions.

NECA Fuel/Caltex Star Card Scheme

While fuel costs this year did not improve for everyone, the fuel card scheme still remains a good business tool because it allows contractors to have some control over the spending on their vehicles. The statement, which is very detailed, is a valuable tool that allows you to monitor usage and to do routine checks on your vehicles and employees to ensure they are operating within set guidelines. This year we introduced an annual statement for members to use for tax purposes or to review their annual spending.

Insurance

NECA continues to have close partnerships with several insurance providers to ensure that NECA members are offered not only competitively priced policies, but to also ensure they have a tailored policy to suit the specialised and diversified nature of their businesses. Positive feedback continues to be received from members who have saved substantial amounts on their policies when shopping around to compare prices.

Year in Review

Member Services and Administration

Communications Cabling Registration

A large number of members and their employees make use of the Australian Cabling Registration Service (ACRS) for their cabling licence. ACRS is owned by NECA, is the lowest priced of the registrars and provides an efficient service to applicants out of the NSW office.

NECA Fleet/Mitsubishi/Volkswagen/Hyundai

We maintain partnerships with Mitsubishi, Volkswagen and Hyundai to provide discounts for the purchase of business motor vehicles. The fleet discount received generally more than covers the cost of the annual membership fee and provides discounts to contractors who would otherwise be unable to obtain any real savings on the purchase of vehicles. The three providers now offer members a good range of vehicles to choose from when purchasing new company vehicles. Hyundai offers deals across its whole range.

Administration

The upgrade of the website is nearing completion and should be launched in the near future. This will include being able to book and pay on line for many services and the completion online of changes to the business as well as completing statutory requirements such as annual return. These changes are necessary for NECA to deliver more streamlined services in the future.

Business Partner Program

NECA NSW would like to acknowledge and thank the participants in the NECA Business Partners program who supported the NECA Excellence Awards and Annual Conference in the 2010/2011 financial year.

Gold Business Partners

- Clipsal
- Schneider Electric
- Go Electrical
- IPD Industrial Products
- NHP
- NECA Group Training
-

Bronze Business Partners

- Haymans
- TLE

Pamela Scott

Member Services and Administration Manager

Year in Review

NECA Group Training

Achievements

The organisation continues to meet a key performance indicator of having no apprentices out of work. However, it is only able to achieve this through the commitment of our host employers and our involvement with them to ensure that we are able to provide a high quality of service.

During the year our apprentice employment increased by 10.9% which is an excellent result in these difficult times. This result was coupled with a 20% increase in completions.

NECA Group Training now has 45 apprentices in a block course fully sponsored by the NSW Government. The TAFEs involved are Gymea, St George and Chullora. These block courses were extremely successful and for the first time, fully managed by NECA Group Training.

This is the first time a company holding this type of course has achieved a 100% successful completion outcome, with all apprentices fully employed. The government has acknowledged NECA Group Training for this achievement by congratulating NECA Group Training formally.

During the year, seven NECA Group Training apprentices were finalists in the NECA NSW Apprentices of the Year Awards. These apprentices were winners across each category.

Twenty two apprentices were recommended for further studies through sponsorship with the ElectroComms Foundation.

Statistical Data

A total of 486 apprentices were employed throughout the financial year ended 30 June 2011. The average number of apprentices employed was 375 for full 12 month period.

Eighty four apprentices completed their apprenticeship – an increase of 20% from last year.

The average age of new apprentices employed was 19.3 years. One hundred and thirty three apprentices were under 18 years of age at commencement of their apprenticeship – this represents 27.3% of apprentices of those apprentices employed for the year.

Other Activities

During the year, the AS9001 audit preparation was commenced. Primary documentation and processes were already in place but required AS9001 standards upgrade.

NECA Group Training has successfully been awarded certification/accreditation of ISO9001 and AS4801 Standards.

NECA Group Training continued support of further training:

- All second year apprentices attended a Safety Testing and Isolating course also managed and sponsored by NECA Group Training. Each apprentice received a Multimeter on successful completion of the course.
- Two classes of fourth year apprentices completed an Estimating Introduction course managed and sponsored by NECA Group Training.
- \$35,000 plus GST Sponsorship to ElectroComms Foundation.
- Negotiations were successfully completed for NECA Group Training to establish occupancy of a building at Chullora TAFE.
- The incidence of lost time for work accidents has decreased because of action taken by the company and this will be reflect in the YE 2012 Workers Compensation premium.
- Expanded to Queensland, establishing a branch operation in Brisbane.

Memberships and Financial Support

NECA Group Training continued networking with industry, government and community bodies being representing both the Company and industry. Representation was on the following Boards:

- Vocational Training Tribunal – government appointment
- New South Wales Apprenticeship Board – government appointment
- Sydney Institute Advisory Panel – government appointment (Advisor)
- ITAB (Industry Training and Advisory Board) – Chairman
- Office of Fair Trading – industry appointment
- Trade Recognition of Australia – industry appointment
- NSW Group Training
- Group Training Australia
- NECA Training Ltd Board Member

Year in Review

NECA Group Training

NECA Group Training Board

NECA Group Training Board Members included; Peter Fitzpatrick (Chairperson), Tony Glossop (Treasurer), Randell Easthorpe, James Tinslay and Mark Brame.

NECA Group Training staff appreciate and thank all Host Trainers and Board Members for the support given over the past year and wishes all NECA members a successful and profitable financial year.

Barry Dawson
General Manager NECA Group Training

**NATIONAL ELECTRICAL CONTRACTORS
ASSOCIATION
NEW SOUTH WALES CHAPTER
ABN 27 056 174 413**

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

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
NEW SOUTH WALES CHAPTER
ABN 27 056 174 413**

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**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
NEW SOUTH WALES CHAPTER
ABN 27 056 174 413**

EXECUTIVE COMMITTEE'S OPERATING REPORT

Your Executive Committee members submit the financial report of National Electrical Contractors Association of New South Wales Chapter for the financial year ended 30 June 2011.

Executive Committee Members

The names of the committee members in office at anytime during or since the end of the year are:

Mr. S. Griffiths - President	1-7-2010 to 30-6-2011
Mr. A Brown - Vice President from 13-4-2011	1-7-2010 to 30-6-2011
Mr. K. Smith - Vice President until 31-3-2011	1-7-2010 to 30-6-2011
Mr. K Smith - Resigned 13-07-2011	
Mr. B. Duff - Treasurer	1-7-2010 to 30-6-2011
Mr. R. Houlahan	1-7-2010 to 30-6-2011
Mr. S. Kerfoot	1-7-2010 to 30-6-2011
Mr. D. Orr	1-7-2010 to 30-6-2011
Mr. T. Pollard	1-7-2010 to 30-6-2011
Mr. F Marrone - Appointed 19-05-2011	19-05-2011 to 30-06-2011
Mr. G Chappelow - Appointed 10-08-2011	
Mr. L. Le Compte (Secretary)	1-7-2010 to 30-6-2011

Principal Activities

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

Representing the interests of its members in the electrotechnology industry.

Significant Changes

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

Operating Result

The loss after providing for income tax amounted to \$224,779.

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
NEW SOUTH WALES CHAPTER
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EXECUTIVE COMMITTEE'S OPERATING REPORT

Members Right to Resign

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

Significant Changes in State of Affairs

No significant changes in the National Electrical Contractors Association - New South Wales Chapter's state of affairs occurred during the financial year.

Membership

As at 30 June 2011, there were 1399 members of the National Electrical Contractors Association - New South Wales Chapter.

Employees

As at 30 June 2011 there were 13 full time employees, 2 part time employees and 1 contractor of the National Electrical Contractors Association - New South Wales Chapter.

Trustee Position

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

After Balance Date Events

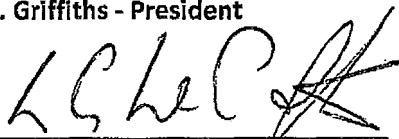
No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operation of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Signed in accordance with a resolutions of the Executive Committee, dated:

31/12/11



Mr. S. Griffiths - President



Mr. L. Le Compte (Secretary)

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
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INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011 \$	2010 \$
Revenue	2	2,831,858	3,653,755
Other income	2	-	5,506
Consumables used		(180,306)	(202,515)
Employee benefits expense		(1,260,248)	(1,528,476)
Depreciation and amortisation expenses		(196,182)	(176,650)
Other expenses		<u>(1,419,901)</u>	<u>(1,551,170)</u>
Profit (loss) before income tax expense	3	(224,779)	200,450
Income tax expense		-	-
Profit (loss) for the year		<u>(224,779)</u>	<u>200,450</u>
Profit (loss) attributable to members of the entity		<u>(224,779)</u>	<u>200,450</u>

The accompanying notes form part of these financial statements.

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
NEW SOUTH WALES CHAPTER
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**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Profit (loss) for the year		(224,779)	200,450
Other comprehensive income:		<u> </u>	<u> </u>
Other comprehensive income for the year, net of tax		<u> </u>	<u> </u>
Total comprehensive income (expense) for the year		<u><u>(224,779)</u></u>	<u><u>200,450</u></u>
Total comprehensive income (expense) attributable to members of the entity		<u><u>(224,779)</u></u>	<u><u>200,450</u></u>

The accompanying notes form part of these financial statements.

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
NEW SOUTH WALES CHAPTER
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**PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011**

	2011 \$	2010 \$
INCOME		
Rental Income:		
Rent received	54,500	54,500
Gross profit from rental activities	<u>54,500</u>	<u>54,500</u>
Membership Subscription	1,289,205	1,380,971
Membership Services	279,628	51,504
Contributions from other entities	64,427	373,611
Conference	241,326	176,984
Profit on sale of non-current assets	-	5,506
Interest received	194,126	71,796
Other revenue	64,245	38,268
Grants received	367,473	1,019,610
Trading Income:		
Sales		
Sales	<u>276,928</u>	<u>486,512</u>
Less Cost of Goods Sold		
Purchases	<u>180,306</u>	<u>202,515</u>
Gross profit on trading	<u>96,622</u>	<u>283,997</u>
	<u>2,651,552</u>	<u>3,456,746</u>
LESS EXPENDITURE		
Auditors' remuneration	20,000	24,000
Bad debts	-	783
Bank charges	17,583	19,999
Consultancy fees	37,739	29,998
Computer Expenses	58,191	80,935
Conference	301,236	263,603
Capitation fees	276,985	302,632
Depreciation	196,182	176,650
Employees entitlement	1,260,248	1,528,476

The accompanying notes form part of these financial statements.

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
NEW SOUTH WALES CHAPTER
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**PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011**

	2011 \$	2010 \$
Insurance	17,792	17,959
Legal costs	472	45,275
Meetings	34,757	48,616
Members Services	294,415	204,120
Motor vehicle expenses	3,824	7,454
Education & Training- Project Funding	-	136,506
Occupancy costs	129,468	115,670
Printing and stationery	90,543	116,848
Other expenses	1,471	10,382
Subscriptions	33,135	20,849
Telephone	77,403	68,860
Travelling expenses	24,887	36,679
	<u>2,876,332</u>	<u>3,256,296</u>
NET OPERATING PROFIT (LOSS)	(224,779)	200,450
Retained profits at the beginning of the financial year	<u>4,963,870</u>	<u>4,763,420</u>
TOTAL AVAILABLE FOR APPROPRIATION	<u>4,739,091</u>	<u>4,963,870</u>
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR	<u><u>4,739,091</u></u>	<u><u>4,963,870</u></u>

The accompanying notes form part of these financial statements.

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
NEW SOUTH WALES CHAPTER
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STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2011

	Note	2011 \$	2010 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	593,704	518,096
Trade and other receivables	6	1,682,429	1,527,195
Financial assets	7	5,740,346	6,020,026
Inventories	8	70,987	82,017
Other current assets	9	152,896	88,892
TOTAL CURRENT ASSETS		<u>8,240,361</u>	<u>8,236,226</u>
NON-CURRENT ASSETS			
Financial assets	7	3	5
Property, plant and equipment	10	2,539,052	2,659,708
TOTAL NON-CURRENT ASSETS		<u>2,539,055</u>	<u>2,659,713</u>
TOTAL ASSETS		<u>10,779,416</u>	<u>10,895,939</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	2,816,579	2,682,400
Provisions	12	146,795	243,307
Other	13	3,076,951	2,997,727
TOTAL CURRENT LIABILITIES		<u>6,040,325</u>	<u>5,923,434</u>
NON-CURRENT LIABILITIES			
Provisions	12	-	8,635
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>8,635</u>
TOTAL LIABILITIES		<u>6,040,325</u>	<u>5,932,069</u>
NET ASSETS		<u>4,739,091</u>	<u>4,963,870</u>
EQUITY			
Retained profits		4,739,091	4,963,870
TOTAL EQUITY		<u>4,739,091</u>	<u>4,963,870</u>

The accompanying notes form part of these financial statements.

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
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STATEMENT OF CHANGES IN EQUITY

AS AT 30 JUNE 2011

	Retained Earnings \$	Total \$
Balance at 1 July 2009	4,763,420	6,763,927
Comprehensive income		
Profit attributable to members	200,450	200,450
Total comprehensive income for the year	<u>200,450</u>	<u>200,450</u>
Other	-	(2,000,507)
Total other	<u>-</u>	<u>(2,000,507)</u>
Balance at 30 June 2010	<u>4,963,870</u>	<u>4,963,870</u>
Balance at 1 July 2010	4,963,870	4,963,870
Comprehensive income		
Profit (loss) attributable to members	(224,779)	(224,779)
Total comprehensive income for the year	<u>(224,779)</u>	<u>(224,779)</u>
Balance at 30 June 2011	<u>4,739,091</u>	<u>4,739,091</u>

The accompanying notes form part of these financial statements.

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
NEW SOUTH WALES CHAPTER
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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Cash flows from operating activities			
Receipts from customers		8,085,999	3,331,987
Payments to suppliers and employees		(8,605,513)	(3,440,624)
Interest received		194,126	71,796
Rent received		54,500	54,500
Net cash provided by (used in) operating activities	21	<u>(270,888)</u>	<u>17,659</u>
Cash flows from investing activities			
Payment for property, plant and equipment		(75,526)	(297,518)
Net payment for financial investments/non-current assets		422,018	(6,020,026)
Proceeds from sale of investments		3	9,043
Net cash provided by (used in) investing activities		<u>346,495</u>	<u>(6,308,501)</u>
Net increase (decrease) in cash held		75,607	(6,290,842)
Cash and cash equivalents at beginning of financial year		518,097	6,808,939
Cash and cash equivalents at end of financial year	21	<u>593,704</u>	<u>518,097</u>

The accompanying notes form part of these financial statements.

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
NEW SOUTH WALES CHAPTER
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

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

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

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

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

(a) Income Tax

No provision for income tax has been raised as the National Electrical Contractors Association- New South Wales Chapter is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997

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

(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 Executive Committee's valuation.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses

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.

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

Class of Fixed Asset:	Depreciation Rate
Leasehold improvements- at cost	2.5 - 4%
Buildings- at cost	2.5%
Motor vehicles- at cost	20%
Office furniture and equipment- at cost	20%
Furniture and fittings- at cost	10 - 20%

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

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

(c) Financial Instruments

Initial recognition and measurement

Classification and subsequent measurement

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

(i) Available-for-sale financial assets

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

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

(d) Impairment of assets

At the end of each reporting period, the Association reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets may be impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

(e) Employee Benefits

Provision is made for the New South Wales Chapter'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 the present value of the estimated future cash outflows to be made for those benefits.

(f) Cash and Cash Equivalents

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

(g) Revenue and Other Income

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

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

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

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

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

(h) New Accounting Standards for Application in Future Periods

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

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

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

- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in the other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

AASB 2010-4: Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 and AASB 134 and AASB Interpretations 13] (applicable for annual reporting periods commencing on or after 1 January 2011).

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

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

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

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

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

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

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

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

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

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

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

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

This Standard is not expected to impact the Association.

(i) Commitments

The Association has provided letters of support for NECA Legal Pty Ltd and NECA Training Limited to support these entities for the next 12 months. As at 30 June 2011 the estimated commitment is \$192,554 for both entities.

(j) 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 statement are prepared at the New South Wales Chapter level.

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

	Note	2011 \$	2010 \$
2. REVENUE AND OTHER INCOME			
Revenue			
Sales revenue:			
Sale of goods		276,928	486,512
Other revenue:			
Rendering of services		1,874,586	1,983,070
Rental Revenue		54,500	54,500
Interest received	2(a)	194,126	71,796
Other revenue		64,245	38,268
Grants received		<u>367,473</u>	<u>1,019,610</u>
Total Revenue		<u>2,831,858</u>	<u>3,653,755</u>
Other Income			
Gain on disposal of property, plant and equipment		<u>-</u>	<u>5,506</u>
(a) Interest received from:			
Other corporations		<u>194,126</u>	<u>71,796</u>
3. PROFIT (LOSS) FOR THE YEAR			
Expenses:			
Cost of sales		180,306	202,515
Bad and doubtful debts		-	783
		<u>-</u>	<u>783</u>
4. AUDITORS' REMUNERATION			
Auditors' remuneration		<u>20,000</u>	<u>24,000</u>

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

	Note	2011 \$	2010 \$
5. CASH AND CASH EQUIVALENTS			
Cash on hand		434	340
Cash at bank		593,270	517,757
		<u>593,704</u>	<u>518,096</u>
6. TRADE AND OTHER RECEIVABLES			
CURRENT			
Sundry debtors		24,327	26,842
Trade receivables (less provision for doubtful debts NIL)		1,437,102	1,315,868
Intercompany: NECA Legal Pty Ltd		221,000	184,484
		<u>1,682,429</u>	<u>1,527,195</u>
7. FINANCIAL ASSETS			
CURRENT			
Other investments	(a)	<u>5,740,346</u>	<u>6,020,026</u>
(a) Other Investments			
Financial investments		<u>5,740,346</u>	<u>6,020,026</u>
NON-CURRENT			
Available-for-sale financial assets	(b)	<u>3</u>	<u>5</u>
(b) Available-for-sale financial assets:			
Shares in subsidiary company		-	3
Shares in associated entities		3	2
		<u>3</u>	<u>5</u>
8. INVENTORIES			
CURRENT			
At cost:			
Finished Goods at cost		<u>70,987</u>	<u>82,017</u>

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

	Note	2011 \$	2010 \$
9. OTHER ASSETS			
CURRENT			
Prepayments		25,774	31,187
Deferred Costs		127,122	57,705
		<u>152,896</u>	<u>88,892</u>
10. PROPERTY, PLANT AND EQUIPMENT			
Leasehold improvements- at cost		279,015	279,015
Less accumulated depreciation		(52,777)	(45,805)
		<u>226,238</u>	<u>233,210</u>
Buildings- at cost		2,570,501	2,570,501
Less accumulated depreciation		(591,381)	(527,120)
		<u>1,979,120</u>	<u>2,043,381</u>
Total land and buildings		<u>2,205,358</u>	<u>2,276,591</u>
Motor vehicles- at cost		49,442	49,442
Less accumulated depreciation		(17,040)	(7,153)
		<u>32,402</u>	<u>42,289</u>
Office furniture and equipment- at cost		597,207	550,630
Less accumulated depreciation		(397,382)	(314,664)
		<u>199,826</u>	<u>235,966</u>
Furniture and fittings- at cost		206,173	206,173
Less accumulated depreciation		(132,321)	(111,973)
		<u>73,852</u>	<u>94,200</u>
Software - at cost		41,430	12,482
Less accumulated amortisation		(13,815)	(1,819)
		<u>27,615</u>	<u>10,663</u>
Total plant and equipment		<u>333,694</u>	<u>383,118</u>
Total property, plant and equipment		<u>2,539,052</u>	<u>2,659,708</u>

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

	Note	2011 \$	2010 \$
(a) Movement in carrying amounts			
For disclosure on movement in carrying amounts please refer to note 22(a) in the end of this financial report.			
11. TRADE AND OTHER PAYABLES			
CURRENT			
Trade creditors		612,234	647,982
Other creditors		244,915	225,955
Intercompany:			
Fund held on behalf of ECA Training Pty Ltd		1,959,430	1,808,463
		<u>2,816,579</u>	<u>2,682,400</u>
12. PROVISIONS			
Provision for holiday pay		77,112	81,934
Provision for building restoration		-	100,000
Provision for long service leave		69,683	70,008
		<u>146,795</u>	<u>251,942</u>
Analysis of Total Provisions			
Current		146,795	243,307
Non-current		-	8,635
		<u>146,795</u>	<u>251,942</u>
13. OTHER LIABILITIES			
CURRENT			
Provision for unspent grant monies		1,746,264	1,818,407
Income in advance		1,330,687	1,179,320
		<u>3,076,951</u>	<u>2,997,727</u>
14. EVENTS AFTER THE REPORTING PERIOD			
No significant events have occurred after balance date.			

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
NEW SOUTH WALES CHAPTER
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
15. RELATED PARTY TRANSACTIONS			
Related Parties			
The Association's main related parties are as follows:			
(a) Key management personnel			
Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, is considered key management personnel.			
(b) Entities subject to significant influence by the association			
An entity which has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.			
(c) Other related parties			
Other related parties include immediate family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel, individually or collectively with their immediate family members.			

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

	Note	2011 \$	2010 \$
(d) Transactions with related parties			
Executive Committee Members			
<p>The names of each person on the Executive Committee of the New South Wales Chapter during the financial year are S. Griffiths, A. Brown, K. Smith, B. Duff, R. Houlahan, S Kerfoot, D.Orr, T. Pollard, F Marrone and L Le Compte.</p> <p>No Executive member or volunteer of the Executive Committee received any remuneration in relation to the position during the year for performing their duties as a member of the Executive Committee.</p> <p>The New South Wales Chapter also holds an investment as nominee for ECA Training Pty Ltd. At balance date, the total investment was \$1,959,430 (2010: \$1,808,463).</p> <p>The following transactions occurred with related parties:</p>			
<i>Administration Revenue</i>			
- NECA Training Limited		156,636	-
- NECA ACT Chapter		79,203	47,348
- ECA Training Pty Ltd		<u>230,000</u>	<u>300,000</u>
<i>Grants Paid</i>			
- NECA Training Limited		<u>350,000</u>	-
<i>Member Services and Administration Expenses</i>			
- NECA Legal Pty Ltd		<u>529,653</u>	-
<i>Management Fee:</i>			
- ECA Training Pty Ltd		<u>10,900</u>	<u>138,339</u>
<i>Loans Written Off</i>			
- NECA Queensland Chapter		<u>18,700</u>	-
<i>Capitation Fee</i>			
- NECA National		<u>276,985</u>	<u>288,659</u>
<i>Loans to Related Parties</i>			
- NECA Legal Pty Ltd		221,000	184,484
- NECA Queensland Chapter		-	<u>18,700</u>

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

16. OPERATING SEGMENTS

The New South Wales Chapter of the Association primarily operates in New South Wales, Australia representing the interests of its members in the electrotechnology industry.

17. FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

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.

Interest Rate Risk

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

Specific Financial Risk Exposures and Management

Credit risk exposures

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

	Note	2011	2010
(a) Liquidity Risk		\$	\$
Floating rate instruments			
Cash and cash equivalents		593,270	518,757
Investments		5,740,346	6,020,031
Trade and sundry creditors		<u>(3,934,037)</u>	<u>(3,890,154)</u>
		<u>2,399,579</u>	<u>2,648,634</u>

Net Fair Values

Fair value estimation

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 net fair value approximates their carry value. No financial assets and 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 Association 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.

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date.

18. COMPANY DETAILS

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

National Electrical Contractors Association
New South Wales Chapter
Level 3, 28 Burwood Road
Burwood NSW 2134

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

	Note	2011 \$	2010 \$
19. MEMBER'S ACCESS TO FINANCIAL STATEMENTS			
Fair Work (Registered Organisations) Act 2009 Section 272 provides:			
<p>(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.</p> <p>(2) The application must be in writing and must specify the period within, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.</p> <p>(3) Reporting unit must comply with an application made under subsection (1).</p>			
20. KEY MANAGEMENT PERSONNEL COMPENSATION			
Short-term benefits		429,968	426,260
Post employment benefits		38,697	38,363
Compensation paid to the Secretary		210,000	210,000

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

	Note	2011 \$	2010 \$
21. CASH FLOW INFORMATION			
(a) Reconciliation of Cash			
Cash at the end of financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:			
Cash		434	340
Cash at Bank		593,270	517,757
		<u>593,704</u>	<u>518,097</u>
(b) Reconciliation of cash flow from operations with profit			
Profit/(loss) after income tax		(224,779)	200,450
Non-cash flows in profit/(loss):			
Depreciation		196,182	176,650
(Increase)/Decrease in trade receivables and others		(219,239)	(268,888)
(Increase)/Decrease in inventories		11,030	(21,970)
(Decrease)/Increase in trade payables and accruals		134,573	1,930,825
(Decrease)/Increase in provisions		(168,655)	1,099
(Decrease)/Increase in General Reserve		-	(2,000,507)
Net cash provided by (used in) operating activities		<u>(270,888)</u>	<u>17,659</u>

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
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FOR THE YEAR ENDED 30 JUNE, 2011**

	Leasehold improvements- at cost \$	Buildings- at cost \$	Software at cost \$	Motor vehicles- at cost \$	Office furniture and equipment- at cost \$	Furniture and fittings- at cost \$	Total \$
22. (a) MOVEMENT IN CARRYING AMOUNTS							
Movements in carrying amounts for each class of property, plant and equipment.							
Balance at 1 July 2009	236,811	2,107,643	-	12,067	168,683	22,677	2,547,881
Additions	3,331	-	12,482	49,442	143,468	88,795	297,518
Disposals	-	-	-	(9,041)	-	-	(9,041)
Depreciation expense	(6,932)	(64,262)	(1,819)	(10,180)	(76,184)	(17,272)	(176,649)
Carrying amount at 30 June 2010	233,210	2,043,381	10,663	42,288	235,967	94,200	2,659,709
Additions	-	-	28,948	-	46,577	-	75,525
Disposals	(6,972)	-	-	-	-	-	(6,972)
Depreciation expense	-	(64,261)	(11,996)	(9,887)	(82,718)	(20,348)	(189,210)
Carrying amount at 30 June 2011	226,238	1,979,120	27,615	32,402	199,825	73,852	2,539,052

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
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STATEMENT BY MEMBERS OF THE EXECUTIVE COMMITTEE

In the opinion of the Executive Committee the financial report as set out on pages 4 to 28:

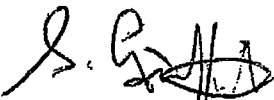
1. Presents a true and fair view of the financial position of National Electrical Contractors Association New South Wales Chapter as at 30 June 2011 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations)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

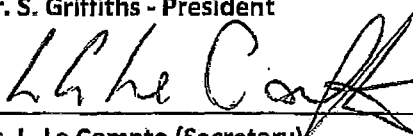
**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
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STATEMENT BY MEMBERS OF THE EXECUTIVE COMMITTEE

- d) there has been compliance with any request of a member of the National Electrical Contractors Association - New South Wales Chapter or the Registrar under Fair Work (Registered Organisations) Act 2009.
 - e) there has been compliance with any order for inspection of the financial records made by the Commission under Fair Work (Registered Organisations) Act 2009.
 - f) the financial records of the reporting unit have been prepared, as far as practicable in a consistent manner with each of the reporting units of the organisation.
6. There was no recovery of wages.

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

Committee Member 
Mr. S. Griffiths - President

Committee Member 
Mr. L. Le Compte (Secretary)

Dated: 31/8/11

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
NEW SOUTH WALES CHAPTER
ABN 27 056 174 413**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF
NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION**

Report on the Financial Report

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

Executive Committee's Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF
NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION**

Independence

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

Auditor's Opinion

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

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



**Peter Douglas Woodhead
Wearne & Co Audit Pty Limited
Registered Auditor: 338571
Chartered Accountant**

Dated: 31 August 2011

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
NEW SOUTH WALES CHAPTER
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CERTIFICATE BY MEMBER OF THE EXECUTIVE COMMITTEE

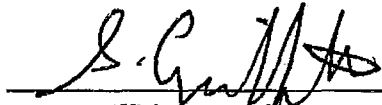
I, Mr. S. Griffiths - President and I, Mr L. Le Compte (Secretary) , certify that:

- (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.

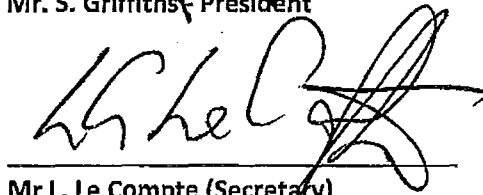
Dated:

23 September 2011

Committee Member


Mr. S. Griffiths - President

Committee Member


Mr L. Le Compte (Secretary)

2 November 2011

Mr Lindsay Le Compte
NSW Chapter Secretary
The National Electrical Contractors Association
PO Box 1106
BURWOOD NORTH NSW 2134

By email: necansw@neca.asn.au

Dear Mr Le Compte,

**Re: Financial Report for year ending 30 June 2011 - FR2011/2600
s.268 Fair Work (Registered Organisations) Act 2009 (RO Act)**

The financial report for the NSW Chapter of the National Electrical Contractors Association (NECA) for year ended 30 June 2011 was lodged on 14 October 2011.

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

For the purposes of future financial reports two additional improvements are recommended:

1. Paragraph 16 of AASB 124 requires key management personnel compensation to be disclosed in 'total' and then itemised into subcategories. While Note 20 to the Accounts provided figures for a number of subcategories (such as \$429,968 for 'Short-term benefits') no total was provided. In future a total must be provided.
2. Note 15(d) to the Accounts (Related Party Transactions) listed the names of the NSW Chapter Executive Committee Members and then stated:

No Executive member or volunteer of the Executive Committee received any remuneration in relation to the position during the year for performing their duties as a member of the Executive Committee.

The wording of the above sentence is potentially inconsistent with the payments disclosed in Note 20. To ensure that no ambiguity arises on this point it is recommended in future years that:

- i. all related party transaction information (i.e. the information in Notes 15 and 20 for year ended 30 June 2011) appear in one comprehensive 'Related Party Transactions' note, as the sequestering of key management personnel compensation into a separate note may lead to potential inconsistencies of the kind discussed above; and
- ii. the sentence in note 15(d), as quoted above, be revised (or deleted) so as to ensure that no ambiguity may arise regarding the compensation paid to key management personnel.

The financial report has been filed. If you have any queries please contact me at: andrew.schultz@fwa.gov.au

Yours faithfully,



Andrew Schultz

Organisations, Research and Advice

11 Exhibition Street Telephone: (03) 8661 7777
Melbourne VIC 3000 International: (613) 8661 7777
GPO Box 1994 Facsimile: (03) 9655 0401
Melbourne VIC 3001 Email: melbourne@fwa.gov.au



FAIR WORK
AUSTRALIA



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email: necanat@neca.asn.au website: www.neca.asn.au
ABN 78 319 016 742



16 June 2011

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

By email only: andrew.schultz@fwa.gov.au

Dear Mr Schultz

Correspondence of 19 May 2011 re NECA Financial Reports

I refer to your correspondence of 19 May 2011.

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

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

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

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

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

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

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

Yours sincerely


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


 national
 electrical and
 communications
 association