



FAIR WORK
COMMISSION

3 December 2015

Mr Oliver Judd
Secretary, New South Wales Chapter
National Electrical Contractors Association

Sent via email: necansw@neca.asn.au

Dear Mr Judd

Re: Lodgement of Financial Statements and Accounts – The National Electrical Contractors Association, New South Wales Chapter - for year ended 30 June 2015 (FR2015/115)

I refer to the financial report for the New South Wales Chapter of the National Electrical Contractors Association. The report was lodged with the Fair Work Commission on 24 November 2015.

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

Please note that the financial report for the year ending 30 June 2016 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged but I make the following comment to assist you when preparing the next report.

Disclosure of payables in respect of legal costs

Reporting Guideline 20(b) requires disclosure in relation to payables in relation to legal costs by (i) litigation and (ii) other legal matters. Reporting Guideline 21 states that if any activities identified in RG 20 have not occurred in the reporting period, a statement to this effect¹ must be included in the GPFR.² I note the reference in paragraph 1 of the attached statement on page 47 that all liabilities “have been recorded in the accounts” but FWC would expect, if there were no legal cost liabilities, a nil balance disclosure in the Notes to the financial report.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered*

¹ Or a nil balance as per the Model financial statements.

² It is not clear whether the balances payable/owing to NECA Legal Pty Ltd at Notes 7A and 10 represent legal cost payables for the purposes of these reporting Guidelines.

Organisations) Act 2009, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (02) 6746 3283 or 0429 462 979 or by email at stephen.kellett@fwc.gov.au

Yours sincerely

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Senior Adviser
Regulatory Compliance Branch

From: KELLETT, Stephen
Sent: Thursday, 3 December 2015 9:23 AM
To: 'necansw@neca.asn.au'
Cc: pamela.renneberg@neca.asn.au
Subject: Attention Mr Oliver Judd - Financial reporting - NSW Chapter - y/e 30 June 2015 - filing

Dear Mr Judd,

Please see attached my letter in relation to the above.



s253-Reporting-Guid NECA NSW FR2015
elines-4th-edition.pdf 115 (primary final).pdf

Yours sincerely

STEPHEN KELLETT
Regulatory Compliance Branch
FAIR WORK COMMISSION

80 William Street
EAST SYDNEY NSW 2011

(ph) (02) 6746 3283
(email) stephen.kellett@fwc.gov.au

From: Pamela Renneberg [<mailto:pamela.renneberg@neca.asn.au>]
Sent: Tuesday, 24 November 2015 4:32 PM
To: Orgs
Subject: ON CMS FR2015/115 NECA NSW - FINANCIAL RETURN

Please see attached information for National Electrical Contractors Association NSW Chapter.



Ltr+all docs NECA
NSW.pdf

Regards
Pamela

Pamela Renneberg
Executive Secretary



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electrical and
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2016: Dont get left
behind!



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NEW SOUTH WALES CHAPTER

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24 November 2015

Organisations, Research & Advice
Fair Work Commission
GPO Box 1994
MELBOURNE VIC 3001

Dear Sir/Madam

**Lodgement of Financial Documents for year ended 30 June 2015
Fair Work (Registered Organisations) Act 2009**

Please find attached the reports and accounts required for NECA NSW in accordance with the Fair Work Act 2009 for the year ended 30 June 2015.

The financial statements for the year ended 30 June 2015 were forwarded to members on 26 October 2015. The Annual General Meeting of members was held on 20 November 2015. A copy of the Notice of the Annual General Meeting sent to members is also attached.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Oliver Judd', is written over the typed name and title.

Oliver Judd
SECRETARY



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

I, Oliver Rupert Judd, 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 26 October 2015 and presented to the Annual General Meeting of members of the Chapter held on 20 November 2015.

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

**OLIVER RUPERT JUDD
SECRETARY**

Date: 24 November 2015



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ABN: 27 056 174 413

I, Oliver Rupert Judd, 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 26 October 2015 and
- that the full report was presented to a general meeting of members of the reporting unit on 20 November 2015; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature:

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

Date: 24 November 2015

AGENDA

ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 22nd Annual General Meeting of the National Electrical Contractors Association New South Wales Chapter will be held at **9.30 am on Friday 20 November 2015 at NHP Sydney Conference Room, 30-34 Day Street, Silverwater**

1. Apologies.
2. Confirmation of Minutes of the 21st Annual General Meeting held on 19 November 2014.
3. Presentation of the audited Financial Report and Balance Sheet for the twelve months ended 30 June 2015.
4. General Business.

OLIVER JUDD
SECRETARY

NOTE: THE AGM FOR ECA WILL BE HELD AT 9.40 am

**THE NATIONAL ELECTRICAL CONTRACTORS
ASSOCIATION NSW CHAPTER
ABN 27 056 174 413**

**FINANCIAL REPORT
FOR THE YEAR END
30 JUNE 2015**

**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**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF NECA NSW CHAPTER**

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 2015 and income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the statement by members of the committee.

Executive Committee's Responsibility for the financial report

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

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

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

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF NECA NSW CHAPTER**

Declaration by Auditor

Jeff Matchett (Registered Auditor 4295) is a member of the audit firm Byrons Chartered Accountants. Jeff Matchett is a member of the Institute of Chartered Accountants in Australia and holds a current Public Practice Certificate.

Auditor's Opinion

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

- i. Presents fairly in all material aspects, the Association's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
- ii. Complies with Australian Accounting Standards and all the requirements of Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009; and
- iii. There is no recovery of wages activity; and
- iv. The management's use of the going concern basis of accounting in the preparation of the Associations financial statements is appropriate.



Jeff Matchett

Partner

Byrons Chartered Accountants

Dated: 23/10/15

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

s.268 *Fair Work (Registered Organisations) Act 2009*

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

CERTIFICATE FOR THE PERIOD ENDED 30 JUNE 2015

I Oliver Judd being the Secretary of the *National Electrical Contractors Association New South Wales Chapter* certify:

- That the documents lodged herewith are copies of the full report for the *National Electrical Contractors Association New South Wales Chapter* for the period ended 30 June 2015 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- That the full report was provided to members of the reporting unit on 26.11.2015; and
- That the full report was presented to a general meeting of members of the reporting unit on 20.11.2015 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*

Mr O Judd

Secretary

Dated:



20.11.2015

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

**OPERATING REPORT
FOR THE PERIOD ENDED 30 JUNE 2015**

The committee presents its report on the reporting unit for the financial year ended 30 June 2015

Review of Principal Activities, the result of those activities and any significant changes in the nature of those activities during the year

The principal activities of the Association during the financial year were to represent the interests of the members in the electro technology industry. The main activities were providing industrial advice, WHS advice, training and discounted goods and services.

Significant changes in financial affairs

No significant change in financial affairs of the reporting unit.

Right of members to resign

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

Officers & members who are superannuation fund trustees

Name of officer/member	Position details	Is the position held because they are an officer/member of NECA or were nominated by NECA?
Reg Young	Director of NESS Super	Yes
Tony Glossop	Director of NESS Super	Yes
Chris Madson	Director of NESS Super	Yes (Appointed subsequent to report date)

Number of Members

As at 30 June 2015, there were 1,488 members of the National Electrical Contractors Association – New South Wales Chapter.

Number of Employees

As at 30 June 2015 there were 11 full time employees and 4 part time employees of the National Electrical Contractors Association – New South Wales Chapter.

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

**OPERATING REPORT
FOR THE PERIOD ENDED 30 JUNE 2015**

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

B Duff – President	1 July 2014 – 30 June 2015
A Brown – Vice President	1 July 2014 – 30 June 2015
O Judd – Secretary	1 July 2014 – 30 June 2015
C Madson – Treasurer	1 July 2014 – 30 June 2015
G Chappelow	1 July 2014 – 30 June 2015
S Kerfoot	1 July 2014 – 30 June 2015
F Marrone	1 July 2014 – 28 February 2015
D Orr	1 July 2014 – 30 June 2015
J Brown	1 May 2015 – 30 June 2015
D Macchia	August 2014 – June 2015

Mr B Duff
President
Dated:

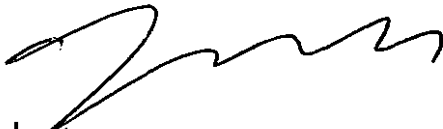
21.10.15



Mr. O. Judd
Secretary

Dated:

21/10/15



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

**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2015**

On the ~~21/10/15~~ 21/10/15 the Committee of Management of the NECA NSW Chapter passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 30 June 2015:

The Committee of Management declare that in its opinion:

- (a) The financial statements and notes comply with the Australian Accounting Standards;
- (b) The financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) There are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) During the financial year to which the GPRF relates and since the end of that year:
 - a. Meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - b. The financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - c. The financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - d. Where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisations; and
 - e. Where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - f. Where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) No revenue has been derived from undertaking recovery of wages activity during the reporting period.

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

Mr B Duff
President
Dated:

21-10-15



Mr. O. Judd
Director

Dated:

24/10/15



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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015**

		2015	2014
		\$	\$
Revenue			
Sales – Product		343,044	376,242
Sales – Training Revenue		-	34,566
Membership Subscription		1,578,930	1,435,448
Membership Services		560,292	423,793
Interest	3A	228,852	376,672
Rental Revenue	3B	56,025	56,113
Other Revenue		160,368	158,457
Total Revenue		<u>2,927,511</u>	<u>2,861,291</u>
Other Income			
Grants or Donations	3C	1,093,293	996,916
Contributions from other entities		487,131	427,594
Conference		242,016	196,837
Total Other Income		<u>1,822,440</u>	<u>1,621,347</u>
Total Income		<u>4,749,951</u>	<u>4,482,638</u>
Expenses			
Purchases		193,939	277,766
Employee Expenses	4A	1,981,304	2,075,306
Capitation Fees	4B	322,976	298,005
Administration Expenses	4C	837,176	649,401
Grants – to other reporting units of organisation	4D	40,800	46,874
Depreciation and Amortisation	4E	188,644	207,035
Legal Costs – Other	4F	29,584	21,066
Audit Fees	11	20,830	36,850
Member Services		253,812	246,571
Net losses from sale of assets	4G	-	13
Other Expenses	4H	601,327	613,212
Total Expenses		<u>4,470,392</u>	<u>4,472,099</u>
Profit for the year		<u>279,559</u>	<u>10,539</u>

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
NEW SOUTH WALES CHAPTER
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**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015	2014
		\$	\$
Other Comprehensive Income			
Gain on revaluation of land and buildings		-	960,404
Total Comprehensive Income For The Year		279,559	970,943

The accompanying notes form part of these financial statements.

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

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Note	2015 \$	2014 \$
ASSETS			
Current Assets			
Cash and Cash Equivalents	5A	926,571	1,089,734
Trade and Other Receivables	5B	1,220,357	1,321,708
Other Assets	5C	6,104,880	5,393,146
Total Current Assets		8,251,808	7,804,588
Non-Current Assets			
Land and Buildings	6A	2,873,912	2,959,254
Plant and Equipment	6B	206,212	192,134
Other Non-Current Assets	6C	3	3
Total Non – Financial Assets		3,087,127	3,151,391
Total Assets		11,331,939	10,955,979
LIABILITIES			
Current Liabilities			
Trade Payables	7A	2,671,540	2,679,718
Other Payables	7B	3,721,193	3,570,773
Employee Provisions	8A	103,250	139,475
Total Current Liabilities		6,495,983	6,389,966
Non – Current Liabilities			
Employee Provisions	8A	60,070	69,689
Total Non – Current Liabilities		60,070	69,689
Total Liabilities		6,556,052	6,459,655
Net Assets		4,775,883	4,496,324
EQUITY			
Reserves		960,404	960,404
Retained Earnings		3,815,479	3,535,920
Total Equity		4,775,883	4,496,324

The accompanying notes form part of these financial statements.

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
NEW SOUTH WALES CHAPTER
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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015**

	Reserves	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2013	-	3,525,381	4,007,533
Adjustment for errors	-	-	-
Adjustment for changes in accounting policies	-	-	-
Profit for the year	-	10,539	10,539
Other comprehensive income for the year	960,404	-	960,404
Transfer from retained earnings	-	-	-
Balance at 30 June 2014	<u>960,404</u>	<u>3,535,920</u>	<u>4,496,324</u>
Adjustment for errors	-	-	-
Adjustment for changes in accounting policies	-	-	-
Profit for the year	-	279,559	279,559
Other comprehensive income for the year	-	-	-
Balance at 30 June 2015	<u>960,404</u>	<u>3,815,479</u>	<u>4,775,883</u>

The accompanying notes form part of these financial statements.

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
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STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
OPERATING ACTIVITIES			
Cash Received			
Receipts from other reporting units/controlled entity(s)	9B	1,334,775	1,611,532
Interest		95,675	204,062
Other		2,709,120	2,365,750
Cash Used			
Payments to Suppliers and Employees		(3,169,253)	(2,490,071)
Payment to other reporting units/controlled entity(s)	9B	(1,016,096)	(849,239)
Net Cash From Operating Activities	9A	<u>(45,781)</u>	<u>842,034</u>
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		-	-
Proceeds from sale of land and buildings		-	-
Other		7,500	-
Cash Used			
Purchase of Plant and Equipment		(124,882)	(46,327)
Purchase of Land and Buildings		-	-
Other		-	(364,692)
Net cash (used by) investing activities		<u>(117,382)</u>	<u>(411,019)</u>
FINANCING ACTIVITIES			
Cash Received			
Contributed Equity		-	-
Other		-	-
Cash Used			
Repayments of borrowings		-	-
Other		-	-
Net Cash From Financing Activities		<u>-</u>	<u>-</u>
Net increase (decrease) in cash held		<u>(163,163)</u>	<u>431,015</u>
Cash & Cash Equivalents at the beginning of the reporting period		<u>1,089,734</u>	<u>658,719</u>
Cash & Cash Equivalents at the end of the reporting period		<u>926,571</u>	<u>1,089,734</u>

The accompanying notes form part of these financial statements.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of the financial statements

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

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

1.2 Comparative figures

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

1.3 Significant accounting judgements and estimates

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

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

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

Future Australian Accounting Standards Requirements

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

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

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

The key changes that may affect the company on initial application of AASB 9 and associated Amending Standards include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for

**NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to the hedging of non-financial items. Should the entity elect to change its hedge accounting policies in line with the new hedge accounting requirements of ASB 9, the application of such accounting would be largely prospective.

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

1.5 Investment in associates

An associate is an entity over which the National Electrical Contractors Association New South Wales Chapter has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with AASB 5 'Non-current Asset Held for Sale and Discontinued Operations. 'Under the equity method, an investment in an associate is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the share of the profit or loss and other comprehensive income of the associate. When the share of losses of an associate exceeds the interest in that associate, the National Electrical Contractors Association New South Wales Chapter discontinues recognising its share of further losses. Additional losses are recognised only to the extent that it has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

1.6 Business combinations

The acquisition method of accounting is used to account for all business combinations, except for those identified in the Fair Work Commissions reporting guidelines under item 12. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interest issued by the parent entity. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values on acquisition date, On an acquisition-by-acquisition basis, the parent entity recognises any non-controlling interest in the acquiree either at fair value or at the non - controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the parent entity's share of the net identifiable assets, is recorded as goodwill. If those amounts are less than the fair value of the

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Net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

If it is determined that the combination results in mutual benefit to both the members of the acquirer and the acquiree, the surplus of the fair value of the net identifiable assets acquired over the consideration paid will be recognised in member's funds as a business combination reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

1.7 Acquisition of assets and or liabilities that do not constitute a business combination

The net book value of assets and or liabilities transferred to National Electrical Contractors Association New South Wales Chapter for no consideration is used to account for an amalgamation under Part 2 of Chapter 3 of the Fair Work (Registered Organisations) Act 2009/a restructure of the branches of the National Electrical Contractors Association New South Wales Chapter/a determination by the General Manager under subsections 245(1) of the Fair Work (Registered Organisations) Act 2009/ a revocation by the General Manager under subsection 249(1) of the Fair Work (Registered Organisations) Act 2009.

The assets and liabilities are recognised as at the date of transfer.

1.8 Revenue

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

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

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

Donation income is recognised when it is received.

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

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

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

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Grant income: From time to time NECA - NSW Chapter receives revenue from MERT as a dividend. These funds are to be used for the benefit of the industry and as such are quarantined in a provision and released when required.

1.9 Government grants

Government grants are not recognised until there is reasonable assurance that the National Electrical Contractors Association New South Wales Chapter will comply with the conditions attaching to them and that the grants will be received.

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

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

1.10 Gains

Sale of assets

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

1.11 Capitation fees and levies

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

1.12 Employee benefits

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

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

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

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

Provision is made for separation and redundancy benefit payments. Reporting Unit recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

1.13 Leases

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

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

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

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

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

National Electrical Contractors Association New South Wales Chapter provides rental accommodation to NECA National on a month by month basis. Currently there is no contract signed by the parties. NECA National pays a rental of \$56,025p.a. and pays for all outgoings.

1.14 Borrowing costs

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

1.15 Cash

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

1.16 Financial instruments

Financial assets and financial liabilities are recognised when a National Electrical Contractors Association New South Wales Chapter entity becomes a party to the contractual provisions of the instrument.

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

1.17 Financial assets

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

Fair value through profit or loss

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

A financial asset is classified as held for trading if:

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

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

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

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

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Held-to-maturity investments

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

Available-for-sale

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

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

Loan and receivables

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

Effective interest method

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

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

Impairment of financial assets

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

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For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

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

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

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

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

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

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

Derecognition of financial assets

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

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1.18 Financial liabilities

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

Fair value through profit or Loss

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

A financial liability is classified as held for trading if:

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

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

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

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

Other financial liabilities

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

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

Derecognition of financial liabilities

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

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1.19 Contingent liabilities and contingent assets

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

There are no contingent liabilities or contingent assets.

1.20 Land, buildings, plant and equipment

Asset recognition threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Revaluations-land and buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

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

Class of fixed asset:	Depreciation Rate:
Leasehold improvements – at cost	2.5 – 4%
Buildings – at independent valuation	2.5%
Motor Vehicles – at cost	20%
Office furniture and equipment – at cost	20%
Furniture and fittings – at cost	10-20%
Software – at cost	50%

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Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

1.21 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

1.23 Impairment for non-financial assets

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

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

1.24 Non-current assets held for sale

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

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

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1.25 Taxation

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

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

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

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

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

1.26 Fair value measurement

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

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

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

The principal or the most advantageous market must be accessible by the National Electrical Contractors Association New South Wales Chapter. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The *National Electrical Contractors Association New South Wales Chapter* uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized

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1.27 Going Concern

National Electrical Contractors Association New South Wales Chapter has agreed to provide NECA Training Limited and NECA Legal Pty Ltd with financial support to ensure they can continue on a going concern basis this agreed financial support is to continue until further notice. This is an interest free arrangement with repayments to be made on an ad hoc basis.

Grants to NECA QLD do not require repayments.

No financial support was received from other reporting units during the financial year.

1.28 Business Combinations

No business combinations occurred during the financial year.

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NOTE 2: EVENTS AFTER THE REPORTING PERIOD

There were no events that occurred after 30 June 2015, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of National Electrical Contractors Association New South Wales Chapter.

	2015	2014
	\$	\$
<u>NOTE 3: INCOME</u>		
3A: Interest		
Deposits	95,675	204,062
Loans	133,177	172,610
Total Interest	<u>228,852</u>	<u>376,672</u>
3B: Rental Revenue		
Properties	<u>56,025</u>	<u>56,113</u>
3C: Grants or Donations		
Grants Income – Government	718,293	621,916
Grants Income – MERT Grant	375,000	375,000
Total Grants Or Donations	<u>1,093,293</u>	<u>996,916</u>

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	2015	2014
	\$	\$
<u>NOTE 4: EXPENSES</u>		
4A: Employee Expenses		
Holders of Office:		
Wages and Salaries	209,363	318,512
Superannuation	19,889	38,463
Leave and Other Entitlements	15,479	17,777
Other Employee Expenses	393	12,053
Subtotal employee expenses holders of office	245,124	386,805
Employees other than office holders:		
Wages and Salaries	1,438,536	1,246,023
Superannuation	145,399	143,310
Leave and Other Entitlements	31,279	27,930
Other Employee Expenses	120,966	271,238
Subtotal employee expenses employees other than office holders	1,736,180	1,688,501
Total Employee Expenses	1,981,304	2,075,306
4B: Capitation Fees		
NECA National	322,976	298,055
4C: Administration Expenses		
Conference and Meeting Expenses	289,128	192,802
Contractors/Consultants	231,687	118,173
Computer Expenses	76,123	73,163
Occupancy Expenses	112,630	114,535
Office Expenses	46,777	55,465
Subscriptions	9,093	11,012
Information Communications Technology	57,322	70,056
Other – Bank Fees	14,416	14,195
Subtotal Administration Expense	837,176	649,401

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	2015	2014
	\$	\$
4D: Grants or Donations		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	40,800	46,874
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total Grants Or Donations	40,800	46,874
4E: Depreciation and Amortisation		
Depreciation		
Land & Buildings	84,165	71,430
Property, Plant and Equipment	104,479	135,605
Total Depreciation	188,644	207,035
Amortisation		
Intangibles	-	-
Total Amortisation	-	-
Total Depreciation and Amortisation	188,644	207,035
4F: Legal Costs		
Other Legal Matters	29,584	21,066
Total Legal Costs	29,584	21,066
4G: Net losses from sale of assets		
Plant and Equipment	-	13
Total Net Losses from Asset Sales	-	13

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	2015	2014
	\$	\$
4H: Other Expenses		
Insurance	20,467	30,755
Motor Vehicle Expenses	71,301	80,263
Travelling Expenses	48,067	40,259
Other Expenses	86,492	86,935
Fund Transferred to Provision	375,000	375,000
Total Other Expenses	601,327	613,212

NOTE 5: CURRENT ASSETS

5A: Cash and cash equivalents

Cash at Bank	926,265	1,089,332
Cash on Hand	306	402
Total Cash And Cash Equivalents	926,571	1,089,734

5B: Trade and other receivables

Receivables from other reporting unit(s)/related parties		
NECA Training Limited (Related parties)	597	13,824
NECA Legal Pty Ltd (Related parties)	1,324	57,120
ECA Training Pty Ltd (Related parties)	2,894	3,544
NECA ACT Chapter (Other reporting unit)	14,687	6,033
NECA National (Other reporting unit)	-	1,178
NECA WA (Other reporting unit)	-	1,570
NECA VIC (Other reporting unit)	-	3,702
NECA Tasmania (Other reporting unit)	2,193	-
NECA QLD Chapter (Other reporting unit)	15	7,908
Total Receivables From Other Reporting Unit(s)/Related Parties (carried forward)	21,710	94,879

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	2015	2014
	\$	\$
Total Receivables From Other Reporting Unit(s)/Related Parties (brought forward)	21,710	94,879
 Other Receivables:		
Sundry Debtors	14,000	2,589
Other Trade and Receivables	1,192,787	1,224,240
Total Other Receivables	1,206,787	1,226,829
 Total Trade and Other Receivables	 1,228,497	 1,321,708
Less Provisions for doubtful debts	(8,140)	
Total trade and Other Receivables (net)	1,220,357	1,321,708
 5C: Other Current Assets		
Financial Investments	5,778,987	5,280,922
Inventory – Finished Goods at Cost	35,284	44,132
Deferred costs	100,869	52,630
Prepayments	16,740	15,462
Intercompany loan – NECA Legal Pty Ltd	607,458	687,458
Intercompany loan – NECA Training Pty Ltd	150,000	-
Intercompany loan – NECA National Pty Ltd	23,000	-
Less Provision for Impairment of Loan	(607,458)	(687,458)
Total Other Current Assets	6,104,880	5,393,146

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	2015	2014
	\$	\$
<u>NOTE 6: NON – CURRENT ASSETS</u>		
6A: Land and Buildings		
Land and Buildings:		
Fair Value - Land	957,030	957,030
Fair Value – Buildings	2,010,010	2,010,010
Accumulated Depreciation – Buildings	(93,128)	(7,786)
Total Land And Buildings	2,873,912	2,959,254

Reconciliation of the opening and closing balances of land and buildings

<hr/>		
As at 1 July		
Gross Book Value	2,967,040	2,857,180
Accumulated Depreciation and Impairment	(7,786)	(786,900)
Net Book Value 1 July	2,959,254	2,070,280
Additions:		
By purchase	-	-
From acquisition of entities (including restructuring)	-	-
Revaluations	-	960,404
Impairments	-	-
Depreciation Expense	(85,342)	(71,430)
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	-	-
Net Book Value 30 June	2,873,912	2,959,254
Net book value as of 30 June represented by:		
Gross book value	2,967,040	2,967,040
Accumulated depreciation and impairment	(93,128)	(7,786)
Net Book Value 30 June	2,873,912	2,959,254

Fair value of the properties was determined by using market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in nature, location or condition of the specific property. As at the date of revaluation 23 June 2014 for Atchison Street and 3 July 2014 for Burwood Road, the properties' fair values are based on valuations performed by Herrod Todd White, an accredited independent valuer.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 30 JUNE 2015

	2015	2014
	\$	\$
6B: Plant and Equipment		
Plant and Equipment		
At Cost	793,779	676,398
Accumulated Depreciation	(587,567)	(484,264)
Total Plant And Equipment	206,212	192,134

Reconciliation of the opening and closing balances of land and buildings

<hr/>		
As at 1 July		
Gross Book Value	676,398	1,122,159
Accumulated depreciation and impairment	(484,264)	(840,734)
Net Book Value 1 July	192,134	281,425
Additions:		
By purchase	124,881	46,656
From acquisition of entities (including restructuring)	-	-
Impairments	-	-
Depreciation Expense	(103,302)	(135,605)
Other movement (give details below)	-	-
Disposals:		
Write back accumulated depreciation of equipment written off	-	492,075
Equipment Write Off	(7,501)	(492,417)
Net book value 30 June	206,212	192,134
Net book value as of 30 June represented by:		
Gross book value	793,779	676,398
Accumulated depreciation and impairment	(587,567)	(484,264)
Net Book Value 30 June	206,212	192,134

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	2015	2014
	\$	\$
6C: Other Non – Current Assets		
Prepayments	-	-
Other	3	3
Total Other Non – Financial Assets	3	3

NOTE 7: CURRENT LIABILITIES

7A: Trade Payables

Trade Creditors and Accruals	554,773	613,412
Other Creditors	261,024	305,196
Subtotal Trade Creditors	815,797	918,608

Payables to other Reporting Unit(s)/Related Parties

Fund held on behalf of ECA Training Pty Ltd	1,848,137	1,743,932
NECA National	-	13,534
NECA Training Limited	263	968
NECA Group Training	7,343	-
NECA Legal Pty Ltd	-	2,676
Subtotal Payables To Other Reporting Unit(s)/Related Parties	1,855,743	1,761,110
Total Trade Payables	2,671,540	2,679,718

Settlement is usually made within 30days

7B: Other Payables

Provision for unspent grant money	2,238,877	1,863,877
Income in Advance	1,482,316	1,706,896
Total Other Payables	3,721,193	3,570,773

Total other payables are expected to be settled in:

No more than 12 months	3,721,193	3,570,773
More than 12 months	-	-
Total Other Payables	3,721,193	3,570,773

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	2015	2014
	\$	\$
<u>NOTE 8: PROVISIONS</u>		
8A: Employee Provisions		
Office Holders:		
Annual Leave	2,938	25,313
Long Service Leave	18,653	37,709
Separations and Redundancies	-	-
Other	-	-
Subtotal Employee Provisions – Office Holders	21,591	63,022
Employees other than office holders:		
Annual Leave	63,354	72,698
Long Service leave	78,374	73,444
Separations and Redundancies	-	-
Other	-	-
Subtotal Employee Provisions – Employees Other than Office Holders	141,728	146,142
Total Employee Provisions	163,319	209,164
Current	103,249	139,475
Non – Current	60,070	69,689
Total Employee Provisions	163,319	209,164

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	2015	2014
	\$	\$
<u>NOTE 9: CASH FLOW</u>		
9A: Cash Flow Reconciliation		
Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement:		
Cash and Cash Equivalents as per:		
Cash Flow Statement	926,571	1,089,734
Balance Sheet	926,571	1,089,734
Difference	-	-
Reconciliation of profit to net cash from operating activities:		
Profit for the year	279,559	10,539
Adjustment for Non – Cash Items		
Depreciation/Amortisation	188,644	207,035
Net write – down of Non-Financial Assets	-	-
Fair Value movements in Investment Property	-	-
Gain on Disposal of Assets	-	13
Changes in Assets/Liabilities		
(increase)/decrease in net receivables	(617,951)	163,885
(Increase)/decrease in prepayments	(1,278)	11,476
Increase/(decrease) in supplier payables	(8,178)	53,520
Increase/(decrease) in other payables	(224,580)	(14,930)
(Increase)/decrease in inventories	8,848	(8,840)
Increase/(decrease) in employee provisions	(45,845)	45,707
Increase/(decrease) in other provisions	375,000	373,629
Net Cash from (used by) Operating Activities	(45,781)	842,034

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	2015	2014
	\$	\$
9B: Cash Flow Information		
Cash Inflows		
NECA Training Limited (related party)	87,984	102,679
NECA Legal Pty Ltd (related party)	242,227	49,839
ECA Training Pty Ltd (related party)	294,852	436,782
NECA ACT Chapter (other reporting unit)	94,519	92,466
NECA National (other reporting unit)	558,894	878,794
NECA WA Chapter (other reporting unit)	4,823	1,378
NECA VIC Chapter (other reporting unit)	23,682	19,016
NECA QLD Chapter (other reporting unit)	25,595	39,674
NECA TAS Chapter (other reporting unit)	219	904
NECA SA Chapter (other reporting unit)	1,980	-
Total Cash Inflows	1,334,775	1,611,532
Cash Outflows		
NECA Training Limited (related party)	194,990	178,758
NECA Legal Pty Ltd (related party)	87,781	43,864
ECA Training Pty Ltd (related party)	3,000	23,224
NECA ACT Chapter (other reporting unit)	44,709	40,615
NECA National (other reporting unit)	501,221	499,028
NECA WA Chapter (other reporting unit)	118,537	8,751
NECA VIC Chapter (other reporting unit)	18,585	2,128
NECA QLD Chapter (other reporting unit)	44,919	51,561
Australian Cabler Registration Services (related party)	1,694	1,310
NECA SA Chapter	660	-
Total Cash Outflows	1,016,096	849,239

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	2015	2014
	\$	\$
<u>NOTE 10: RELATED PARTY DISCLOSURES</u>		
10A: Related party transactions for the reporting period		
The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.		
Revenue		
Revenue received from NECA Training Limited includes the following:		
Management Fee	51,267	97,062
Other	16,925	6,688
Revenue received from NECA ACT Chapter includes the following:		
Management Fee	60,000	60,000
Advertising Revenue	9,343	12,274
Other	11,098	4,512
Share of Profit	13,351	-
Revenue received from ECA Training Pty Ltd includes the following:		
Sponsorship	17,985	118,182
Management Fee	181,626	80,230
Events	19,940	20,852
Fuel	32,337	34,576
Uniform Revenue	-	31,160
Other	10,181	2,077
Advertising	5,401	-
Revenue received from NECA National includes the following:		
Mailmarshall – email service revenue	6,579	5,834
Map – E-Oz project	438,591	596,338
Rental	56,025	55,489
Other	6,498	2,074
Revenue received from NECA WA Chapter includes the following:		
Stock Sale	1,675	2,680
Other	1,281	-
Revenue received from NECA SA Chapter includes the following:		
Stock	700	-
Other	1,100	-
Revenue received from NECA VIC Chapter includes the following:		
Stock	2,854	7,109
Mailmarshall – email service revenue	15,309	12,589

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	2015	2014
	\$	\$
<u>NOTE 10: RELATED PARTY DISCLOSURES</u>		
Revenue received from NECA Legal Pty Ltd includes the following:		
Management Fee	47,396	24,000
Consulting Fee	32,970	58,550
Other	16,476	9,613
Revenue received from NECA QLD Chapter includes the following:		
Advertising Revenue	13,477	26,941
Stock Sale	2,135	7,224
Other	480	-
Revenue received from NECA TAS Chapter includes the following:		
Stock Sale	199	822
Advertising	1,994	-
Expenses		
Expenses paid to NECA Training Limited includes the following:		
Management Fee -- Administration Fee for Map Project	9,623	177,940
Other	15,202	1,300
Expenses paid to NECA Legal includes the following:		
Legal Secretary Consulting Fee	49,772	23,021
Legal Service	27,437	14,860
Other	647	4,437
Expenses paid to ECA Training Pty Ltd includes the following:		
Administration Fee for MAP project	-	14,588
Administration Fee for NECA ACT	6,675	6,379
Other	2,727	146
Expenses paid to NECA ACT Chapter includes the following:		
Sponsorship	40,644	36,923
Expenses paid to NECA National includes the following:		
Management Fee	18,533	-
Event	25,717	2,837
Capitation fee	322,876	298,005
Other	56,605	50,048

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	2015	2014
	\$	\$
<u>NOTE 10: RELATED PARTY DISCLOSURES</u>		
Expenses paid to NECA VIC Chapter includes the following:		
Event	1,525	1,439
Stock Purchases	1,018	496
Call Centre Service	13,771	-
Other	580	-
Expenses paid to NECA QLD Chapter includes the following:		
NECA QLD Grant	40,800	46,874
Stock	35	-
Expenses paid to NECA WA Chapter includes the following:		
Marketing Expense	1,363	7,955
Event	117,036	-
Expenses paid to Australian Cabler Registration Services includes the following:		
Administration Fee	1,693	1,310
NECA SA - Advertising	600	-
Amounts Owing		
NECA Training Limited	-	13,824
NECA Legal Pty Ltd	-	57,120
ECA Training Pty Ltd	-	3,544
NECA ACT Chapter	14,687	6,033
NECA National	-	1,178
NECA WA Chapter	-	1,570
NECA VIC Chapter	-	3,702
NECA QLD Chapter	15	7,908
NECA TAS Chapter	2,193	-
Amounts owing to the related entities include the following:		
NECA National	-	13,534
NECA Training Limited	597	968
NECA Legal Pty Ltd	1,324	2,676
NECA Group Training (ECA)	2,894	-

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<u>NOTE 10: RELATED PARTY DISCLOSURES</u>	2015	2014
	\$	\$
Loans to Related Parties Ltd includes the following:		
NECA Legal Pty Ltd	607,458	678,458
NECA Training Pty Ltd	150,000	-
Investment Balance in ECA Training Pty Ltd:		
Fund held on behalf of ECA Training Pty Ltd	1,848,136	1,743,932

Terms and Conditions of transactions with related parties

The sales to and purchase from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2015, NECA NSW Chapter has an impairment of receivables of \$607,458 of a loan to NECA Legal Pty Ltd (2014: \$678,458). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

10B: Key Management personnel remuneration for the reporting period

Short – Term Employee Benefits:

Salary (including annual leave taken)	384,639	322,255
Compensation Paid to the Secretary	209,363	190,435
Total Short-Term Employee Benefits	594,002	512,960

Post – Employment Benefits:

Superannuation	54,041	38,808
Total Post – Employment Benefits	54,041	38,808

Termination Benefits	59,070	-
Total Termination Benefits	59,070	-
Total Remuneration	707,113	551,498

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	2015	2014
	\$	\$
<u>NOTE 11: REMUNERATION OF AUDITORS</u>		
Value of Service provided:		
Financial Statement Audit Services	20,830	36,850
Other Services	-	-
Total Remuneration of Auditors	20,830	36,850

No other services were provided by the auditor of the financial statements

NOTE 12: FINANCIAL INSTRUMENTS

The associations finance director is responsible for, among other issues, monitoring and managing financial risk exposures of the association. The Finance Director monitors the association's transactions and reviews the effectiveness of controls relating to credit risk, liquidity risk and market risk. Discussions on monitoring and managing financial risk exposures are held bi-monthly and minuted by the committee of management.

The Finance Director's overall risk management strategy seeks to ensure that the association meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

	2015	2014
	\$	\$
12A: Categories of financial instruments		
Financial Assets		
Fair Value through profit or loss:		
Cash and Cash Equivalents	926,571	1,089,734
Total	926,571	1,089,734
Held – to – Maturity Investments:		
Total	-	-
Available – for – Sale Assets:		
Shares in Associated Entities	3	3
Asgard Managed Investments	5,778,987	5,280,922
Total	5,778,990	5,280,925
Loans and Receivables:		
NECA Training Pty Ltd – Intercompany	150,000	-
NECA National Pty Ltd	23,000	-
NECA Legal Pty Ltd – Intercompany	607,458	687,458
Less Impairment of Loan	(607,458)	(687,458)
Total	173,000	-
Carrying Amount Of Financial Assets	6,878,561	6,370,659

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NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 30 JUNE 2015

	2015	2014
	\$	\$
<u>NOTE 12: FINANCIAL INSTRUMENTS</u>		
Other Financial Liabilities:		
Fund held on behalf of ECA Training Pty Ltd	1,848,137	1,743,932
Total	1,848,137	1,743,932
Carrying Amount Of Financial Liabilities	1,848,137	1,743,932

12B: Net Income and Expense from Financial Assets

Available for sale:

Interest revenue	228,852	376,672
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12C: Credit risk

The risk profiles for investments are determined by the executive committee. They are conservative and the profile has a range between 30% - 70% between defensive and growth assets. The current risk profile is fifty-fifty. The committee takes advice from professional advisors whom manage the investment portfolio.

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

	2015	2014
	\$	\$
Financial Assets		
Cash at Bank/on Hand	926,571	1,089,734
Investment Portfolio – Market Value	5,778,987	5,280,922
NECA Training Pty Ltd -- Loan Receivable	150,000	-
NECA National Pty Ltd – Loan Receivable	23,000	-
NECA Legal Pty Ltd – Loan Receivable	607,458	687,458
Less: Impairment of Loan	(607,458)	(687,458)
Total	6,878,558	6,370,656
Financial Liabilities		
Payables held on behalf of ECA Training Pty Ltd	1,848,137	1,743,932
Total	1,848,137	1,743,932

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NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 30 JUNE 2015

NOTE 12: FINANCIAL INSTRUMENTS

Credit quality of financial instruments not past due or individually determined as impaired

	Not Past due nor impaired 2015 \$	Past due or impaired 2015 \$	Not past due nor impaired 2014 \$	Past due or impaired 2014 \$
Cash at Bank/on Hand	926,571	-	1,089,734	-
Investment Portfolio – Market Value	5,778,987	-	5,280,922	-
NECA Training Pty Ltd	150,000	-		
NECA National Pty Ltd	23,000	-		
NECA Legal Pty Ltd – Loan Receivable	-	607,458	-	687,458
Total	6,878,558	607,458	6,370,656	687,458

The chapter has provided a letter of support for NECA Legal Pty Ltd and NECA Training Pty Ltd to support the entities. The commitment of \$607,458 in respect of NECA Legal has been impaired.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 30 JUNE 2015

NOTE 13: FAIRVALUE MEASUREMENT

13A: Financial assets and liabilities

Management of the reporting unit assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The reporting unit's own performance risk as at 30 June 2015 was assessed to be insignificant.
- Fair Value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long- term fixed -rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 30 June 2015 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

The following table contains the carrying amounts and related fair values for the NECA NSW Chapter financial assets and liabilities:

	Carrying amount 2015 \$	Fair Value 2015 \$	Carrying amount 2014 \$	Fair Value 2014 \$
Financial Assets				
Cash at Bank/on Hand	926,571	926,571	1,089,734	1,089,734
Investment Portfolio – Market Value	5,778,987	5,778,987	5,280,922	5,280,922
NECA Training Pty Ltd- Loan Receivable	150,000	150,000	-	-
NECA National Pty Ltd – Loan Receivable	23,000	23,000	-	-
NECA Legal Pty Ltd – Loan Receivable	607,458	607,458	687,458	687,458
Less: impairment of loan	(607,458)	(607,458)	(687,458)	(687,458)
Total	6,878,558	6,878,558	6,370,656	6,370,656
Financial Liabilities				
Payables held on behalf of ECA Training Pty Ltd	1,848,137	1,848,137	1,743,932	1,743,932
Total	1,848,137	1,848,137	1,743,932	1,743,932

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NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 30 JUNE 2015

NOTE 14: SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

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

Information to be provided to members or General Manager:

1. A member of a reporting unit, or the General manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application
2. The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
3. A reporting unit must comply with an application made under section (1)

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CERTIFICATE BY MEMBERS OF THE EXECUTIVE COMMITTEE

I, Mr. B. Duff – President of and I, Mr. O. Judd – Secretary of, certify that:

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

Mr B Duff
President
Dated:



20/11/15

Oliver Judd
Director

Date: 20.11.2015



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STATEMENT CONCERNING LIABILITIES AND CERTAIN OTHER MATTERS

To Byrons Chartered Accountants,

In connection with your examination of the financial statements of National Electrical Contractors Association New South Wales Chapter as at 30 June 2015 and for the period then ended, this representation letter is provided for the purpose of forming an opinion whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) so as to present a view which is consistent with your understanding of National Electrical Contractors Association *New South Wales Chapter*, the results of its operations and its cash flows.

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

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

1. Liabilities

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

2. Contingent Liabilities and Other claims

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

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

3. Contractual obligations and other commitments

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

4. Capital expenditure

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

5. Pledged assets

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

6. Ownership of Assets

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

7. Subsequent Happenings

Since the above date there have been no happenings which have had or may have an important effect upon the financial position or the results of operations as shown in the financial statements and all assets that have been disposed of during the year have been properly recorded in the books of accounts.

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

STATEMENT CONCERNING LIABILITIES AND CERTAIN OTHER MATTERS

8. Accounts Receivable

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

9. Fraud

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

We have disclosed to you all significant facts relating to any frauds or suspected frauds known to us that may have affected as a result of fraud.

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

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

10. Related Parties

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

11. Minutes

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

12. Inventory

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

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

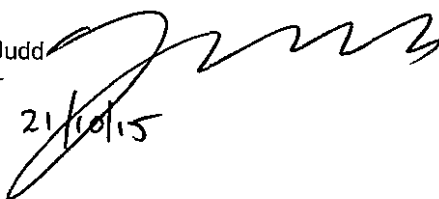
Mr B Duff
President
Dated:

21/10/15



Mr. O. Judd
Director
Dated:

21/10/15



14 October 2015

Byrons Chartered Accountants
62 Burwood Road
BURWOOD NSW 2134

Dear Sir

The Executive Committee of the National Electrical Contractors Association New South Wales Chapter, note that NECA Legal Pty Limited might be unable, by itself, to meet its liabilities as they fall due without the continuing support of the National Electrical Contractors Association New South Wales Chapter.

The Executive Committee of the National Electrical Contractors Association New South Wales Chapter, hereby confirm its support for NECA Legal Pty Limited and agree to provide such financial support as may be required during the next twelve months to ensure that the company can, and will meet its present and future liabilities.

On behalf of the Executive Committee

Yours sincerely

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

Bruce Duff
President
National Electrical Contractors Association
New South Wales Chapter

14 October 2015

Byrons Chartered Accountants
62 Burwood Road
BURWOOD NSW 2134

Dear Sir

The Executive Committee of the National Electrical Contractors Association New South Wales Chapter, note that NECA Training Limited might be unable, by itself, to meet its liabilities as they fall due without the continuing support of the National Electrical Contractors Association New South Wales Chapter.

The Executive Committee of the National Electrical Contractors Association New South Wales Chapter, hereby confirm its support for NECA Training Limited and agree to provide such financial support as may be required during the next twelve months to ensure that the company can, and will meet its present and future liabilities.

On behalf of the Executive Committee

Yours sincerely

A handwritten signature in black ink, appearing to read 'Bruce Duff', with a large, sweeping flourish extending to the right.

Bruce Duff
President
National Electrical Contractors Association
New South Wales Chapter



25 August 2015

Mr Oliver Judd
Secretary
National Electrical Contractors Association, New South Wales Chapter
Sent via email: oliver.judd@neca.asn.au

Dear Mr Judd,

**Re: Lodgement of Financial Report - [FR2015/115]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the National Electrical Contractors Association, New South Wales Chapter (the reporting unit) ended on 30 June 2015.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date under s.268 of the RO Act, namely 15 January 2016 (being the expiry date of 6 months and 14 days from the end of the financial year).

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. Further, the General Manager's updated Reporting Guidelines that apply to all financial reports prepared on or after 30 June 2014 are also available on the website supported by a webinar presentation.

The Fair Work Commission has developed a model set of financial statements. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. The model statement and other resources can be accessed through our website under [Financial Reporting](#) in the Compliance and Governance section.

I request that the financial report and any statement of loans, grants or donations made during the financial year (statement must be lodged within 90 days of end of financial year) be emailed, rather than posted, to orgs@fwc.gov.au. A sample statement of loans, grants or donations is available at [sample documents](#).

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$51,000 for a body corporate and \$10,200 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you wish to seek any clarification in relation to the above, please contact me on (03) 8661 7796 or via email at Sam.Gallichio@fwc.gov.au.

Yours sincerely,

Sam Gallichio
Adviser
Regulatory Compliance Branch

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
<p>(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.</p> <p>(b) A # designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).</p>	/ /	As soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	<p>Within a reasonable time of having received the GPFR</p> <p>(NB: Auditor's report must be dated on or after date of Committee of Management Statement</p>
<p>Provide full report free of charge to members – s265</p> <p>The full report includes:</p> <ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. 	/ /	<p>(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,</p> <p>or</p> <p>(b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.</p>
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	Within 14 days of meeting

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.