



20 December 2016

Mr Garry Itzstein
Chapter Secretary
National Electrical Contractors Association – Western Australia Chapter
PO Box 782
BALCATTWA WA 6021

via email: necawa@necawa.asn.au

Dear Mr Itzstein

Application pursuant to section 269 of the Fair Work (Registered Organisations) Act 2009 for the financial year ended 30 June 2016 (FR2016/289)

I refer to your application pursuant to s269(2)(a) of the *Fair Work (Registered Organisations) Act 2009 (RO Act)*, lodged in the Fair Work Commission (**FWC**) on 7 December 2016, in respect of the Western Australia Chapter of the National Electrical Contractors Association (**NECA WA**) for the financial year ended 30 June 2016.

I am satisfied that NECA WA is a reporting unit and that its financial affairs for the financial year ended 30 June 2016 were encompassed by the Electrical & Communications Association of Western Australia (the Association), an associated State body registered under the *Industrial Relations Act 1979 (WA)*. The attached certificate reflects this decision.

I make the following comment in relation to the application lodged and the required information to be provided in the Operating Report. Section 254(2)(b) of the RO Act requires an Operating Report to give details of any significant changes in the reporting unit's financial affairs during the year. The NECA WA Operating Report makes no statement in relation to the financial affairs of the Branch. Please ensure that in future years the Operating Report includes a statement in relation to significant changes in the Chapters financial affairs during the year or include the wording '*there were no significant changes in the financial affairs of the Branch during the reporting period*'.

If you wish to discuss this matter, please contact Ms Joanne Fenwick on 03) 8656 4681 or by email to joanne.fenwick@fwc.gov.au.

Yours sincerely

Chris Enright
Director
Regulatory Compliance Branch

PR588846



CERTIFICATE

Fair Work (Registered Organisations) Act 2009

s.269(2)(a) - *Reporting unit's financial affairs encompassed by associated State body*

National Electrical Contractors Association – Western Australia Chapter
(FR2016/289)

MR ENRIGHT

MELBOURNE, 20 DECEMBER 2016

Reporting unit's financial affairs encompassed by associated State body

[1] On 7 December 2016 an application was made under s269(2)(a) of the *Fair Work (Registered Organisations) Act 2009* (the Act) by the Western Australia Chapter of the National Electrical Contractors Association (the reporting unit) for a certificate stating that the financial affairs of the reporting unit are encompassed by the financial affairs of the Electrical & Communications Association of Western Australia (the Association), an associated State body, in respect of the financial year ended 30 June 2016.

[2] On 7 December 2016, the reporting unit lodged a copy of the audited accounts of the Association with the Fair Work Commission (the Commission).

[3] I am satisfied that the Association:

- is a registered under the *Industrial Relations Act 1979 (WA)*, a prescribed State Act; and
- is, or purports to be, composed of substantially the same members as the reporting unit; and
- has, or purports to have, officers who are substantially the same as designated officers in relation to the reporting unit; and
- is an associated State body.

[4] I am further satisfied that:

- the Association has in accordance with prescribed State legislation, prepared accounts, had those accounts audited, provided a copy of the audited accounts to its members and lodged the accounts with the relevant State authority;

- any member of the reporting unit who are not also members of the Association have been provided with copies of the accounts at substantially the same time as the members of the reporting unit who are members of the Association;
- a report under s.254 of the Act has been prepared in respect of those activities of the reporting unit and has been provided to the members of the reporting unit with copies of the accounts; and
- a copy of the audited accounts was lodged with the Commission on 7 December 2016.

[5] I am satisfied that the financial affairs of the reporting unit in respect of the financial year ending 30 June 2016, are encompassed by the financial affairs of the Association and I certify accordingly under s269(2)(a) of the Act.



DELEGATE OF THE GENERAL MANAGER

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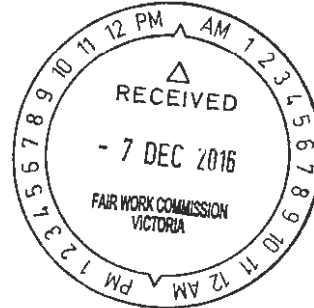
WESTERN AUSTRALIA CHAPTER

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1 December 2016

Ms Eve Anderson
Team Manager
Regulatory Compliance Branch
Fair Work Australia
11 Exhibition Street
MELBOURNE VIC 3000



Dear Ms Anderson,

**National Electrical Contractors Association, The-Western Australia Chapter
Annual Returns for Financial Year Ending 30 June 2016**

The National Electrical Contractors Association, Western Australia Chapter makes application pursuant to Section 269 of the *Fair Work (Registered Organisations) Act 2009* ('the Act') to be taken to have satisfied Part 3 of Chapter 8 of the Act for the financial year ending **30 June 2016**.

Relief Sought

- That the General Manager issue a certificate stating that the financial affairs of the Reporting Unit are encompassed by the financial affairs of the associated State body.
- That the Reporting Unit is taken to have satisfied Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*.

Grounds and Reasons

Section 269 of the Act applies to The National Electrical Contractors Association, Western Australia Chapter (the 'Reporting Unit') on the following basis:

1. The Electrical & Communications Association of Western Australia (the 'associated State body') is registered as an industrial organisation pursuant to the *Industrial Relations Act 1979 (WA)*.
2. The associated State body is composed of substantially the same members as the Reporting Unit.
3. The officers of the associated State body are substantially the same as the officers of the Reporting Unit.



national
electrical and
communications
association

WESTERN AUSTRALIA CHAPTER

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The Reporting Unit is taken to have satisfied Part 3 of Chapter 8 of the Act on the following basis:

- a) The associated State body has, in accordance with the *Industrial Relations Act 1979 (WA)* prepared accounts, had those accounts audited, provided a copy of the audited accounts to its members, and has lodged the audited accounts with the Western Australian Industrial Registry;
- b) A copy of the audited accounts are attached hereto (See Attachment A);
- c) All the members of the Reporting Unit and the associated State body, at substantially the same time, have been provided a copy of the Auditor's Report, Balance Sheet and Statement of Income and Expenditure, free of charge, in accordance with Division 4 of the *Industrial Relations Act 1979 (WA)*; and
- d) All members of the Reporting Unit have been provided with a copy of the Operating Report. A copy of the Operating Report is attached hereto (See Attachment B).

The National Electrical Contractors Association, Western Australia Chapter submits that based on the grounds and reasons stated herein and the supporting documentation, the Branch satisfies section 269 of the Act and consequently seeks the relief as sought.

Should you wish to discuss this or any other matter, please do not hesitate to contact this office at any time.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Garry Itzstein', written over a white background.

Garry Itzstein
Secretary



**Electrical &
Communications
Association**

**THE ELECTRICAL AND COMMUNICATIONS
ASSOCIATION OF WESTERN AUSTRALIA
(UNION OF EMPLOYERS)**

ABN 19 295 806 769

The Electrical and Communications Association of Western Australia is a registered industrial organisation pursuant to the *Industrial Relations Act 1979* of Western Australia

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2016



**THE ELECTRICAL AND COMMUNICATIONS
ASSOCIATION OF WESTERN AUSTRALIA
(UNION OF EMPLOYERS)**

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THE ELECTRICAL AND COMMUNICATIONS ASSOCIATION OF WESTERN AUSTRALIA
(UNION OF EMPLOYERS)

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 \$	2015 \$
REVENUE:			
Revenue	3 (a)	1,144,809	1,068,272
Other income	3 (b)	3,806,837	4,042,408
Total revenue		4,951,646	5,110,680
LESS EXPENDITURE:			
Service delivery costs	3 (c)	2,321,356	2,534,268
Depreciation		69,912	72,472
Amortisation		21,784	15,000
Employee benefits	3 (d)	2,566,716	2,480,325
Loss on sale of non-current assets		1,626	1,153
Impairment		176,091	-
Total expenditure		5,157,485	5,103,218
(Loss)/ Surplus for the year		(205,839)	7,462
Retained earnings at beginning of year		4,908,517	4,901,055
Retained earnings at end of year		4,702,678	4,908,517

The accompanying notes form part of these financial statements.

**THE ELECTRICAL AND COMMUNICATIONS ASSOCIATION OF WESTERN AUSTRALIA
(UNION OF EMPLOYERS)**

BALANCE SHEET AS AT 30 JUNE 2016

	Notes	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,930,328	2,396,307
Trade and other receivables	5	1,192,512	813,262
Inventory		9,091	14,637
Other current assets		103,808	151,256
TOTAL CURRENT ASSETS		<u>3,235,739</u>	<u>3,375,462</u>
NON-CURRENT ASSETS			
Financial assets	6	1	1
Property, plant and equipment	7	139,562	195,374
Investment properties	8	3,007,106	3,007,106
Intangible assets	9	104,753	27,500
TOTAL NON-CURRENT ASSETS		<u>3,251,422</u>	<u>3,229,981</u>
TOTAL ASSETS		<u>6,487,161</u>	<u>6,605,443</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	1,618,844	1,538,395
Provisions	11	165,639	158,531
TOTAL LIABILITIES		<u>1,784,483</u>	<u>1,696,926</u>
NET ASSETS		<u>4,702,678</u>	<u>4,908,517</u>
EQUITY			
Retained earnings		<u>4,702,678</u>	<u>4,908,517</u>
TOTAL EQUITY		<u>4,702,678</u>	<u>4,908,517</u>

The accompanying notes form part of these financial statements.



THE ELECTRICAL AND COMMUNICATIONS ASSOCIATION OF WESTERN AUSTRALIA
(UNION OF EMPLOYERS)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 \$	2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operations		4,449,299	5,376,580
Payments to suppliers and employees		(4,849,678)	(4,997,004)
Interest received		49,162	55,185
Net cash (outflow)/ inflow from operating activities		<u>(351,217)</u>	<u>434,761</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment and motor vehicles		(15,916)	(74,788)
Proceeds from sale of property, plant and equipment, and motor vehicles		191	11,591
Payment for investment property		-	(3,007,106)
Proceeds from sale of investment properties		-	4,551,187
Payment for intangible assets		(99,037)	-
Net cash (outflow)/ inflow from investing activities		<u>(114,762)</u>	<u>1,480,884</u>
Net (decrease)/increase in cash held		(465,979)	1,915,645
Cash at the beginning of the financial year		2,396,307	480,662
Cash at the end of the financial year	4	<u>1,930,328</u>	<u>2,396,307</u>
RECONCILIATION OF SURPLUS NET CASH FLOW FROM OPERATING ACTIVITIES			
(Loss)/surplus for the year		(205,839)	7,462
Plus/ (minus) non-cash items:			
Depreciation		69,912	72,472
Amortisation		21,784	15,000
Loss on sale of non-current assets		1,626	1,153
Change in assets and liabilities			
(Increase)/decrease in receivables		(379,253)	285,570
Decrease/(increase) in other current assets		52,994	(19,670)
Increase in payables		80,451	20,195
Increase in provisions		7,108	52,579
Net cash (outflow)/ inflow from operating activities		<u>(351,217)</u>	<u>434,761</u>

The accompanying notes form part of these financial statements.



THE ELECTRICAL AND COMMUNICATIONS ASSOCIATION OF WESTERN AUSTRALIA
(UNION OF EMPLOYERS)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared to satisfy the reporting requirement of the *Industrial Relations Act 1979*. The Electrical and Communications Association of Western Australia is a registered industrial organisation pursuant to the *Industrial Relations Act 1979* of Western Australia and is the Western Australian Chapter of the National Electrical Contractors Association. The Committee of Management has determined that the Association is not a reporting entity.

The financial report is prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

Basis of preparation

The financial statements provide comparative information in respect of the previous period. The comparative information has been re-stated following a retrospective correction of an error. See note 14.

(a) **Consolidated financial statements**

Consolidated financial statements have not been prepared for the entity and its subsidiaries because neither the entity nor the group is a reporting entity and the management committee have decided not to comply with AASB 127 Consolidated and Separate Financial Statements.

(b) **Plant and Equipment**

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

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Profit and losses on disposal of plant and equipment are taken into account in determining the result for the year

(c) **Investment Property**

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Association. Investment property is carried at fair value, representing open-market value determined by external valuers on a regular basis. Changes in fair values are recorded in the income statement as part of other income.

(d) **Impairment of Assets**

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.



THE ELECTRICAL AND COMMUNICATIONS ASSOCIATION OF WESTERN AUSTRALIA
(UNION OF EMPLOYERS)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(e) Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

(f) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(g) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Membership income is recognised on a straight line proportional basis over the duration of the membership. Memberships received in advance for future financial years are recognised as a liability.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

(h) Intangible assets

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

(i) Comparative figures

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

NOTE 2: INCOME TAX

The Association has self assessed itself to be exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.



THE ELECTRICAL AND COMMUNICATIONS ASSOCIATION OF WESTERN AUSTRALIA
(UNION OF EMPLOYERS)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
NOTE 3: REVENUE, OTHER INCOME AND EXPENSES		
(a) Revenue		
Membership income	984,411	863,907
Administration	52,887	74,244
Commissions	57,176	80,726
Financial administration	50,335	49,395
Total Revenue	1,144,809	1,068,272
(b) Other income		
Members' activities revenue	285,876	749,306
Interest received	49,162	55,185
Rent	256,500	228,272
Reversal of net impairment of non-current assets held for sale	-	2,101
WHS Income	300,244	204,104
SAA and publications income	198,466	268,890
Sponsorship	25,735	17,000
Group management	1,181,076	1,206,891
Administration recovery	253,743	226,906
Marketing recovery	250,802	231,408
WHS recovery	633,751	563,095
Other income	371,482	289,250
Total Other Income	3,806,837	4,042,408
Total Income	4,951,646	5,110,680
(c) Service Delivery Costs		
Membership expense	284,701	177,684
Members activities expenses	325,152	716,318
Rent expense	28,302	88,387
Group management	125,617	91,263
Administration	298,285	294,715
Marketing	98,466	54,057
WHS expenses	400,531	323,619
IT costs	25,827	20,746
Professional costs	279,503	289,303
SAA and publications	175,907	232,497
Sundry employee costs	215,752	183,849
Other expenditure	63,313	61,830
Total service delivery costs	2,321,356	2,534,268
(d) Employee Benefits		
Group management	1,018,236	1,074,494
Administration	800,370	719,078
Marketing	198,852	189,053
WHS	549,258	497,700
Total employee benefits	2,566,716	2,480,325



THE ELECTRICAL AND COMMUNICATIONS ASSOCIATION OF WESTERN AUSTRALIA
(UNION OF EMPLOYERS)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
4. CASH AND CASH EQUIVALENTS		
Cash on hand	500	705
Cash at bank	717,651	1,216,284
Short Term Deposits	1,212,177	1,179,318
	<u>1,930,328</u>	<u>2,396,307</u>
5. TRADE AND OTHER RECEIVABLES		
Trade receivables	1,017,089	502,808
Provision for impairment of trade receivables	(1,396)	-
Other receivables	352,910	310,454
Provision for impairment of other receivables	(176,091)	-
	<u>1,192,512</u>	<u>813,262</u>
<i>Provision for Impairment of Receivables</i>		
Impairment allowances recognised at the reporting dates have been determined after review of amounts outstanding past due date at those dates. Impairment for other receivables are determined by past payment experience and the financial position of that entity. The movement in the provision for impairment of receivables during the year was as follows:		
Balance at 1 July	-	-
Impairment losses recognised on trade receivables	(1,396)	-
Impairment losses recognised on loan to NECA legal	(176,091)	-
	<u>(177,487)</u>	<u>-</u>
6. FINANCIAL ASSETS		
Investment in NECA Legal (WA) Pty Ltd	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>
Ordinary shares at \$1 each held in NECA Legal (WA) Pty Ltd	1	1



THE ELECTRICAL AND COMMUNICATIONS ASSOCIATION OF WESTERN AUSTRALIA
(UNION OF EMPLOYERS)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

7. PROPERTY, PLANT AND EQUIPMENT

	2016	2015
	\$	\$
Plant & equipment – at cost	14,601	14,601
LESS: Accumulated depreciation	(9,953)	(8,705)
	<u>4,648</u>	<u>5,896</u>
Office & computer equipment – at cost	128,796	121,176
LESS: Accumulated depreciation	(106,758)	(107,025)
	<u>22,038</u>	<u>14,151</u>
Fixtures & fittings – at cost	71,319	71,319
LESS: Accumulated depreciation	(68,455)	(67,667)
	<u>2,864</u>	<u>3,652</u>
Motor vehicles – at cost	308,316	308,316
LESS: Accumulated depreciation	(198,304)	(136,641)
	<u>110,012</u>	<u>171,675</u>
Total property, plant and equipment	<u>139,562</u>	<u>195,374</u>

8. INVESTMENT PROPERTIES

	2016	2015
	\$	\$
Land and Building (5 Avior Avenue, Jandakot)		-
Balance at 1 July	3,007,106	-
Acquired during the year	-	3,007,106
Balance at 30 June	<u>3,007,106</u>	<u>3,007,106</u>
Total investment properties at fair value	<u>3,007,106</u>	<u>3,007,106</u>

The basis of the valuation of investment properties is fair value, being the amounts for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and subject to similar leases. A 50% share in 5 Avior Avenue, Jandakot was purchased in November 2014 and this was classified as an investment property, as it is held for long-term rental yields and capital appreciation. The fair value of the property is the amount paid for the property at settlement, the Executive believe that there has not been a material movement in fair value since the date of settlement.



THE ELECTRICAL AND COMMUNICATIONS ASSOCIATION OF WESTERN AUSTRALIA
(UNION OF EMPLOYERS)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

9. INTANGIBLE ASSETS

	2016 \$	2015 \$
Capitalised software development	108,873	46,091
Software under development	36,255	-
Total intangible assets	145,128	46,091
Cost at 1 July	46,091	46,091
Additions	99,037	-
Cost at 30 June	145,128	46,091
Accumulated amortisation at 1 July	(18,591)	(3,591)
Charge for year	(21,784)	(15,000)
Accumulated amortisation at 30 June	(40,375)	(18,591)
Net carrying amount at 30 June	104,753	27,500

Software development costs capitalised are being amortised over 3 years.

10. TRADE AND OTHER PAYABLES

Trade payables	19,377	97,947
Other payables	279,239	418,856
Petrol deposits	37,943	37,943
Income received in advance	1,282,285	983,649
	1,618,844	1,538,395

11. PROVISIONS

Provision for annual leave	143,141	131,309
Provision for long service leave	19,809	17,626
Other employee benefits	2,689	9,596
	165,639	158,531

**THE ELECTRICAL AND COMMUNICATIONS ASSOCIATION OF WESTERN AUSTRALIA
(UNION OF EMPLOYERS)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

12. ADMINISTRATION SCHEMES

- REDUNDANCY ADMINISTRATION
- SEVERANCE SCHEME ADMINISTRATION

The above are employee cessation schemes administered for the benefit of members. The results of such schemes do not form part of the trading results of the Association. However income earned for their administration is revenue of the Association.

13. PRIOR YEAR RESTATEMENT

During the financial year, tax returns were lodged on behalf of the administration schemes. Upon lodgement it was determined that income earned as management fees by the Association for the administration of the Severance and Redundancy schemes was in error. Accordingly, the accounts were restated.

Adjustments were as follows:

2010 – 2014: Opening retained earnings: (\$65,120)

2015: Reduction in revenue – (\$20,556)

The impact of the above errors has been corrected by restating each of the affected financial statement line items for the prior periods as follows

	Reported 2015	Adjustment 2015	Restated 2015	Reported 2014	Adjustment 2014	Restated 2014
<i>Income Statement</i>						
Revenue	1,088,828	(20,556)	1,068,272	1,095,697	(625)	1,095,072
(Surplus)/Loss for the year	28,018	(20,556)	7,462	(624,574)	(625)	(625,199)
<i>Balance sheet</i>						
Trade and other payables	1,452,719	85,676	1,538,395	1,453,080	65,120	1,518,200
Total liabilities	1,611,250	85,676	1,696,926	1,559,032	65,120	1,624,152
Net assets	4,994,193	(85,676)	4,908,517	4,966,175	65,120	5,031,295
Retained earnings	4,994,193	(85,676)	4,908,517	4,966,175	(65,120)	4,901,055
Equity	4,994,193	(85,676)	4,908,517	4,966,175	(65,120)	4,901,056



STATEMENT BY THE EXECUTIVE

The Executive of the Electrical and Communications Association of Western Australia has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Executive, the financial statements:

1. Present a true and fair view of the financial position of the Electrical and Communications Association of Western Australia as at 30 June 2016 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the Electrical and Communications Association of Western Australia will be able to pay its debts as and when they fall due.

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

PRESIDENT
Jack Grego

TREASURER
Paul Tobin

DATED at Balcatta this *20th* day of *September*, 2016.



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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE ELECTRICAL AND COMMUNICATIONS ASSOCIATION OF WESTERN AUSTRALIA**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of the Electrical and Communications Association of Western Australia (the Association), which comprises the balance sheet as at 30 June 2016, the income statement and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the executive.

Executives' Responsibility for the Financial Report

The executive is responsible for the preparation of the financial report, and have determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the *Industrial Relations Act 1979 (WA)* and is appropriate to meet the needs of the members. The executive's responsibility also includes such internal control as the executive determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from 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 and fair presentation of the financial report 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 executive, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING**

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd: ACN 009 321 377 and Birdsong Practice Trust ABN 65 319 352 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Electrical and Communications Association of Western Australia as of 30 June 2016 and its financial performance and its cash flows for the year then ended, in accordance with the *Industrial Relations Act 1979 (WA)*.

Basis of accounting

Without modifying our opinion, we draw attention to Note 1 in the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Association to meet the requirements of the *Industrial Relations Act 1979 (WA)*. As a result, the financial report may not be suitable for another purpose

Report on Other Legal and Regulatory Requirements

In accordance with the *Industrial Relations Act 1979 (WA)*, we also report that there are no matters indicating that any person contravened or failed to comply with s74 – *Duties of officers of organisations*.

RSM
RSM AUSTRALIA PTY LTD

A Whyte
ALASDAIR WHYTE
Director

Perth, WA
Dated: 23 September 2016

THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION, WESTERN AUSTRALIA CHAPTER

Operating report for year ended 30 June 2016 – s254

Principal Activities

The principal activities of the Chapter during the reporting period were to provide services and representation to the members, consistent with the objects of the Association.

The Chapter's principal activities result in improving the business environment for the membership, particularly with respect to negotiated and arbitrated employee wages outcomes.

There were no significant changes in the nature of the Chapter's principal activities during the reporting period.

Manner of Resignation

Members may resign from the Chapter in accordance with Rule 7, which reads as follows:

- a) Subject to Rule 8 below, a member, including a provisional member, associate member and a Life member, may discontinue his membership with the Association by giving written notice of resignation to the Association and serving such notice of resignation on the Association by:
 - i) delivering the notice personally to the registered office of the Association, or
 - ii) sending by certified mail to the address mentioned in sub paragraph (i) or to the address of the Association as ascertained by referring to a current directory of telephone numbers, or
 - iii) sending by email to the address of the Association as ascertained by referring to the Association's current website, or
 - iv) in a format approved by the Executive.
- b) The notice of resignation takes effect on the day on which it was served on the Association or on a later day specified in the notice.
- c) A member who has ceased to be eligible to be a member of the Association or who has become disqualified from continuing, as a member shall upon request being made to the Secretary and with the approval of the Executive be issued with a notification of clearance and thereupon membership of such member shall terminate.

- d) Subject to Rule 8 nothing in this Rule prevents the Association from recovering all unpaid fees, fines, levies or other dues payable by a member under the Rules to the end of the period covered by the notice or upon the date of issue of a clearance card.

Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme

No officers of the Chapter held positions of Trustee or director of a Trustee Company of a superannuation entity or exempt public sector superannuation scheme.

Number of Members

The number of members recorded on the register of members of the Chapter as at the end of the reporting period was 1,127


Number of Employees

The number of persons who were, at the end of the reporting period, employees of the Chapter was NIL (0).

Members of Chapter Council

The persons who held office as members of the Chapter Council during the reporting period were:

Z. Grego (Chapter President)
M. Green (Chapter Vice President) – cessation 29/06/16
A. Charlton (Chapter Executive)
I. Swain (Chapter Executive)
W. Carter (Chapter Executive) - cessation 26/07/16
P. Mannion (Chapter Executive) – cessation 29/06/16
C. Sweeting (Chapter Executive)
G. Warren (Chapter Executive)
P. Tobin (Chapter Vice President and Treasurer)
J. Williams (Chapter Executive) – appointed 29/06/16
K. Bonomi (Chapter Executive) – appointed 29/06/16
P. Beveridge (Chapter Executive) – appointed 26/07/16
G. Itzstein (Chapter Secretary)



Signed
Garry Itzstein
Chapter Secretary

Date: 1 December 2016



15 July 2016

Mr Garry Itzstein
Chapter Secretary
National Electrical Contractors Association-Western Australia Chapter
By email: necawa@necawa.asn.au

Dear Mr Itzstein,

**Re: Lodgement of Financial Report - [FR2016/289]
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the National Electrical Contractors Association-Western Australia Chapter (the reporting unit) ended on 30 June 2016.

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, that being within 14 days after the meeting referred to in s.266 of the RO Act.

Timelines

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, guidance notes and model statements

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. This includes a model set of financial statements which have been developed by the FWC. 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, Reporting Guidelines and other resources can be accessed through our website under [Financial Reporting](#) in the Compliance and Governance section.

Loans, grants and donations: our focus this year

Also you are reminded of the obligation to prepare and lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 requires this statement to be lodged with the FWC within 90 days of the end of the reporting unit's financial year, that is on or before 28 September 2016. A sample statement of loans, grants or donations is available at [sample documents](#).

Over the past year we have noted issues in organisations' financial reports relating to timelines and how loans, grants and donations are reported. We will be focusing closely on these areas this year. Please find attached below fact sheets relating to these requirements or alternatively visit our website for information regarding [financial reporting timelines](#) and [loans, grants and donations](#).

It is requested that the financial report and any Statement of Loans, Grant or Donations be lodged electronically by emailing orgs@fwc.gov.au.

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Telephone : (03) 8661 7777
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au

Civil penalties may apply

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 \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

Contact

Should you wish to seek any clarification in relation to the above, email orgs@fwc.gov.au.

Yours sincerely,

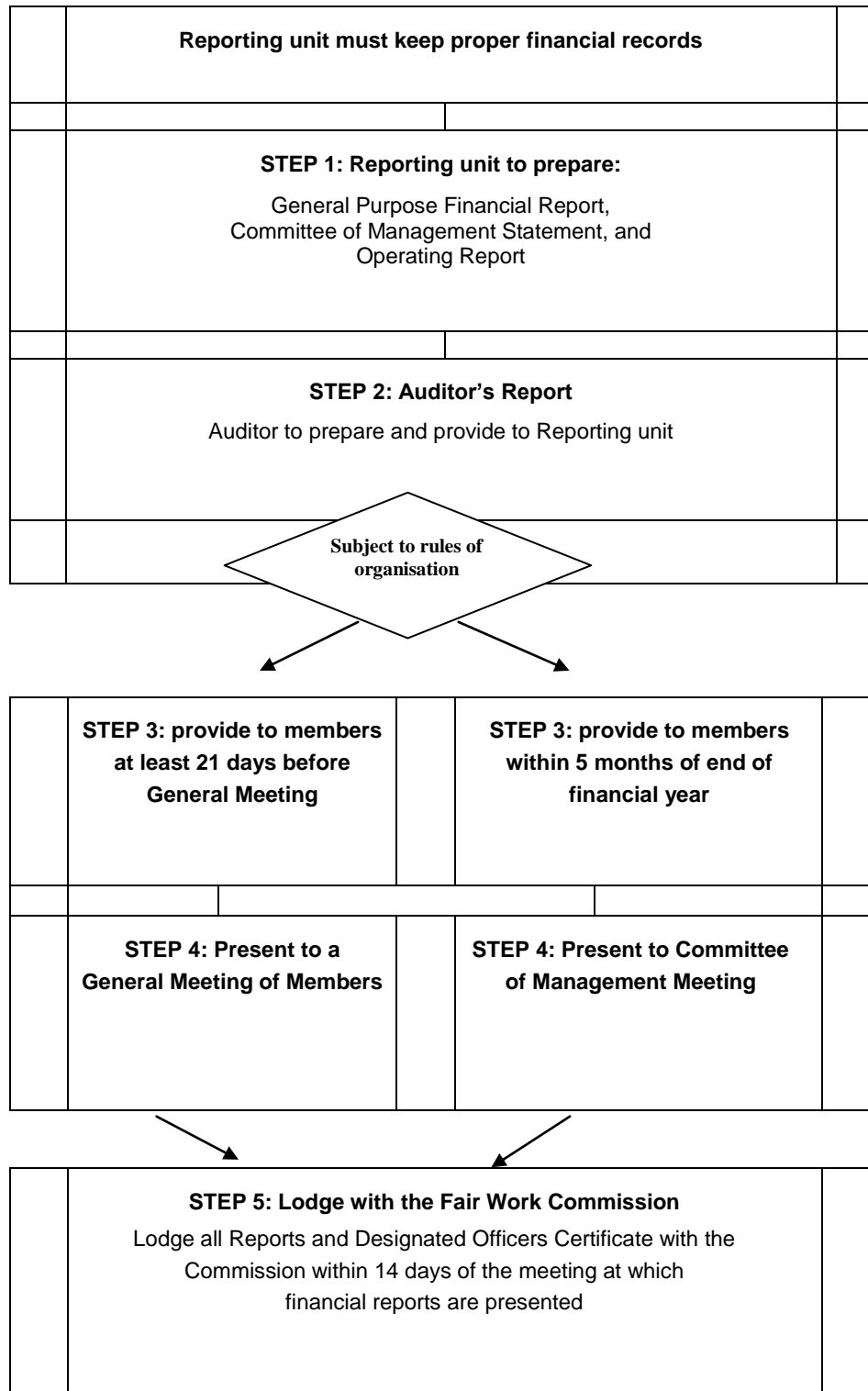


Anastasia Kyriakidis
Adviser
Regulatory Compliance Branch

Financial reporting timelines

Financial reports are to be lodged with the Fair Work Commission (the Commission) within 14 days of the meeting at which the financial reports have been presented, by completing the steps as outlined below.

See Fact sheet—Financial reporting for an explanation of each of these steps.



Fact Sheet - Loans, Grants & Donations

The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the General Manager's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.

The Loans, Grants & Donations Statement

Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceed \$1000. The following information must be supplied to the Commission for each relevant loan, grant or donation:







- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,* and
- the arrangements for repaying the loan.*

*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the Commission has a [Template Loans, Grants and Donations Statement](#) on its website. The Commission encourages branches and organisations to lodge the statement even if all of the figures are NIL.

Common misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.
 Statements can be lodged with the financial report.	 The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.

Grants & Donations within the Financial Report

Item 16(e) of the [General Manager's Reporting Guidelines](#) requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines.

In the [Commission's Model Statements](#) the note appears as follows:

Note 4E: Grants or donations*

Grants:	2016	2015
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-

Item 17 of the General Manager's Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

Implications for filing the Financial Report

During their review of the 2016 financial report staff of the Commission will confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their 2015 financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the [Commission's website](#).

Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the Regulatory Compliance Branch on orgs@fwc.gov.au