

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

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2018**

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NECA - ACT CHAPTER

Report on the Audit of the Financial Report

Opinion

I have audited the accompanying financial report of NECA - ACT Chapter (the reporting unit) which comprises the Statement of Financial Position as at 30 June 2018, the Statement of Comprehensive Income, Expenditure Incurred Report – Subsection 225(2A) Report, 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, the Committee of Management Statement and the Officer Declaration Statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of NECA ACT Chapter as at 30 June 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

- I. The Australian Accounting Standards and;
- II. the requirements imposed by Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*; and

I declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate. There was no recovery of wages activity in the financial year. Therefore, there is no requirement to express an audit opinion in respect of recovery of wages activity for the financial year.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 :*Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report. My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Committee of Management's Responsibility for the Financial Report

The Committee of Management 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NECA - ACT CHAPTER

Auditor's Responsibilities for the Audit of the Financial Report

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

Auditor's Responsibilities for the Audit of the Financial Report

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the committee of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit. I declare that I am an approved auditor, a member of the Institute of Chartered Accountants in Australia and hold a current Public Practice Certificate.

Moore Stephens NSW
Chartered Accountants



Charles Oosthuizen
Partner

Signed at Level 7, 9 Castlereagh Street, SYDNEY NSW 2000 on the 18th October 2018
Registration number (as registered by the RO Commissioner under the RO Act): AA2017:

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s.268 Fair Work (Registered Organisations) Act 2009

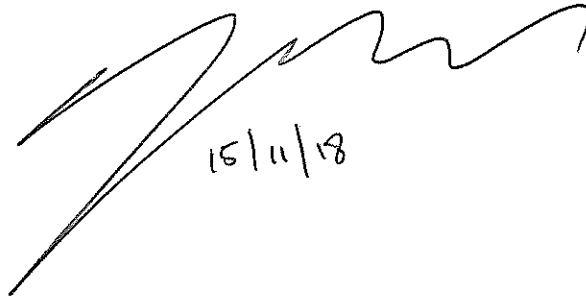
CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

CERTIFICATE FOR THE YEAR ENDED 30 JUNE 2018

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

- that the documents lodged herewith are copies of the full report for the National Electrical Contractors Association – ACT Chapter for the period ended 30 June 2018 referred to in s.268 of *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on .../.../.....; and
- that the full report was presented to a general meeting of members of the reporting unit on .../.../..... in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Mr Oliver Judd
Secretary
Dated:



15/11/18

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**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

The committee presents its report on the reporting unit for the financial year ended 30 June 2018.

The operating report was prepared by the following officer:

Mr. Oliver Judd (Secretary)

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

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

These activities included Industrial Relations advice, representation in bargaining, WHS advice, lobbying and membership, benefits such as training, events and discounted services. There was no significant change with these activities; the operating result of the entity was a profit amounting to \$10,000.

Non-Financial Results

NECA's policy function advocates on behalf of NECA's members to government, the media and other relevant opinion makers to try to create and maintain a conducive business and regulatory environment for our members. This is principally accomplished through submissions to government inquiries, media releases and directly liaising with politicians, regulators and public servants.

The entity also disseminates information to members regarding political and regulatory developments, in order to assist them in complying with government regulations and to take advantage of and mitigate risks relating to issues affecting their businesses

Significant changes in financial affairs

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

Right of members to resign

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

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**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

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

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

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

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

Number of members

As at 30 June 2018 there were 124 members of the National Electrical Contractors Association - ACT Chapter.


Number of employees

As at 30 June 2018 there were no full-time employees, part time employees or contractors under the National Electrical Contractors Association - ACT Chapter.

Names of Committees of Management members and position held during the financial year

Name	Position	Year
Barry Skinner	President	1 July 2017-30 June 2018
Peter Hart	Vice President	1 July 2017-30 June 2018
Stephen Buckley	Treasurer	1 July 2017-30 June 2018
Grant Bawden	Committee Member	1 July 2017-30 June 2018
Robert Donnelly	Committee Member	1 July 2017-30 June 2018
Jade Coleman	Committee Member	1 July 2017-30 June 2018
Oliver Judd	Secretary	1 July 2017-30 June 2018

Mr B. Skinner
President
Dated:



18.10.18

Mr O Judd
Secretary
Dated:



18.10.18

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**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

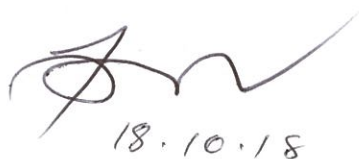
On the ~~18.10.18~~ ^{18.10.18} the Committee of Management of the National Electrical Contractors Association - ACT Chapter passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 30 June 2018:

The Committee of Management declares that in their opinion:

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

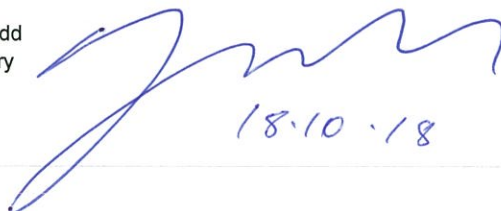
This declaration is made in accordance with a resolution of the Committee of Management.

Mr B. Skinner
President
Dated:



18.10.18

Mr O Judd
Secretary
Dated:



18.10.18

**NATIONAL ELECTRICAL CONTRACTORS
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STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Revenue			
Membership Subscription		123,346	123,894
Interest	3A	4,081	5,075
Capitation Fee & Levies		-	-
Other Revenue	3B	99,247	94,901
TOTAL REVENUE		<u>226,674</u>	<u>223,870</u>
OTHER INCOME			
Grants and/or Donations		-	-
Revenue from Recovery of Wages Activity		-	-
TOTAL OTHER INCOME		<u>-</u>	<u>-</u>
Total Income		<u>226,674</u>	<u>223,870</u>
Expenses			
Capitation Fees	4A	27,522	28,137
Administration Expenses	4B	12,596	16,116
Audit Fees (All relevant to audit fee amount)	11	2,474	2,300
Levies Expense		-	-
Employee Expenses	4E	-	-
Affiliation Fees		-	-
Grants & Donations	4C	-	-
Other Expenses	4D	174,083	167,317
Total Expenses		<u>216,674</u>	<u>213,870</u>
Profit for the Year		<u>10,000</u>	<u>10,000</u>
Other Comprehensive Income			
Items that will not be subsequently reclassified to profit or loss		-	-
Total Comprehensive Income for the Year		<u>10,000</u>	<u>10,000</u>

The accompanying notes form part of these financial statements.

**NATIONAL ELECTRICAL CONTRACTORS
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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	Note	2018	2017
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	5A	291,842	258,687
Trade and Other Receivables	5B	69,304	104,291
Other Assets	5C	19,122	5,921
TOTAL CURRENT ASSETS		<u>380,268</u>	<u>368,899</u>
NON-CURRENT ASSETS			
Intangible Assets	6	6,500	-
Total Non-Financial Assets		<u>6,500</u>	<u>368,899</u>
TOTAL ASSETS		386,768	368,899
LIABILITIES			
CURRENT LIABILITIES			
Trade Payables	7A	30,075	10,140
Other Payables	7B	138,285	150,352
Employee Provisions	8	-	-
TOTAL CURRENT LIABILITIES		<u>168,360</u>	<u>160,492</u>
TOTAL LIABILITIES		<u>168,360</u>	<u>160,492</u>
NET ASSETS		<u>218,408</u>	<u>208,407</u>
EQUITY			
General Funds		-	-
Retained Earnings (accumulated deficit)		218,408	208,407
TOTAL EQUITY		<u>218,408</u>	<u>208,407</u>

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Note	Retained earnings	Total
		\$	\$
Balance at 1 July 2016		198,408	198,408
Profit for the Year		10,000	10,000
Other Comprehensive Income for the Year		-	-
Balance at 30 June 2017		208,408	208,408
Balance at 1 July 2017		198,408	198,408
Profit for the Year		10,000	10,000
Other Comprehensive Income for the Year		-	-
Balance at 30 June 2018		218,408	218,408

The accompanying notes form part of these financial statements.

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received			
Receipts from other Reporting units / Controlled entity(s)	9B	46,840	46,122
Interest		4,081	5,075
Receipts from Customers		197,539	165,502
		<u>248,460</u>	<u>216,699</u>
Cash Used			
Suppliers		(69,655)	(76,082)
Payment to other Reporting units / Controlled entity(s)	9B	(139,150)	(147,206)
		<u>(208,805)</u>	<u>(223,288)</u>
NET CASH FROM / (USED BY) OPERATING ACTIVITIES	9A	<u>39,655</u>	<u>(6,589)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts from related parties		-	-
NET CASH FROM FINANCING ACTIVITIES	9A	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for software		(6,500)	-
NET CASH (USED BY) FINANCING ACTIVITIES	6	<u>(6,500)</u>	<u>-</u>
NET INCREASE / (DECREASE) IN CASH HELD		<u>33,155</u>	<u>(6,589)</u>
Cash and Cash Equivalents at the Beginning of the Reporting Period		<u>258,687</u>	<u>265,276</u>
CASH & CASH EQUIVALENT AT THE END OF THE REPORTING PERIOD	5A	<u>291,842</u>	<u>258,687</u>

The accompanying notes form part of these financial statements.

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**EXPENDITURE INCURRED REPORT –
SUBSECTION 225(2A) REPORT FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018	2017
		\$	\$
Remuneration and other employment-related costs and expenses - employees		-	-
Advertising		-	-
Operating costs		216,673	213,870
Donations to political parties		-	-
Legal costs		-	-
		<hr/>	<hr/>
		216,673	213,870

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1: Summary of Significant Accounting Policies

1.1 Basis of preparation of the financial statements

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

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

1.2 Comparative 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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

New Accounting Standards for Application in Future Periods

The AASB has issued several new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the company. The directors have decided not to early adopt any of the new and amended pronouncements. Their assessment of the pronouncements that are relevant to the company but applicable in future reporting periods is set out below:

AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting.

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

The entity is in the process of completing its impact assessment of AASB 9. Based on a preliminary assessment performed over each line of business and product type, the effects of AASB 9 are not expected to have a material effect on the entity.

AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods beginning on or after 1 January 2018, as deferred by AASB 2016-8: *Amendments to Australian Accounting Standards – Effective Date of AASB 15*).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Apart from a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contracts; and
- recognise revenue when (or as) the performance obligations are satisfied.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors (subject to certain practical expedients in AASB 15); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. There are also enhanced disclosure requirements regarding revenue.

AASB 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers.

The entity is in the process of completing its impact assessment of AASB 15. Based on a preliminary assessment performed over each line of business and product type, the effects of AASB 15 are not expected to have a material effect on the entity.

AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard are as follows:

- recognition of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-of-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
- application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
- inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

The entity is in the process of completing its impact assessment of AASB 16. Based on a preliminary assessment performed over each line of business and product type, the effects of AASB 16 are not expected to have a material effect on the entity.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1.6 Government grants

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

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

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

1.7 Capitation fees and levies

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

1.8 Borrowing costs

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

1.9 Cash

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

1.10 Financial instruments

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

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1.11 Financial assets

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

Fair value through profit or loss

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

A financial asset is classified as held for trading if:

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

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

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

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

Held-to-maturity investments

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

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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 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.

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Impairment of financial assets

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

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

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

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

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

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

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.

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Derecognition of financial assets

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

1.12 Financial liabilities

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

Fair value through profit or Loss

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

A financial liability is classified as held for trading if:

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

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

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

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.

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Other financial liabilities

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

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

Derecognition of financial liabilities

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

1.13 Contingent liabilities and contingent assets

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

There are no contingent liabilities or contingent assets. Refer to Note 19 in relation to operating lease commitments as a lessor.

1.14 Impairment for non-financial assets

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

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

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1.15 Taxation

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

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

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

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

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

1.16 Fair value measurement

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

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

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

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

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

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The National Electrical Contractors Association ACT Chapter uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, 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 within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significantly to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the National Electrical Contractors Association – ACT Chapter determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the National Electrical Association – ACT Chapter has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.17 Going Concern

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

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

1.18 Business Combinations

No business combinations occurred during the financial year.

NOTE 2: EVENTS AFTER THE REPORTING PERIOD

There were no events that occurred after 30 June 2018, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of National Electrical Contractors Association – ACT Chapter.

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NOTE 3: INCOME

	2018	2017
	\$	\$
Note 3A: Interest		
Interest	7	7
Interest from investment	4,073	5,068
TOTAL INTERESTS	4,081	5,075
Note 3B: Other Revenue		
Events	99,247	92,772
Referral fees	-	569
Miscellaneous income	-	1,560
TOTAL OTHER REVENUE	99,247	94,901

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<u>NOTE 4: EXPENSES</u>	2018	2017
	\$	\$
Note 4A: Capitation fees		
NECA - National	27,522	28,137
TOTAL CAPITATION FEE	<u>27,522</u>	<u>28,137</u>
Note 4B: Administration expenses		
Consultancy	1,056	2,197
Bank fees	1,088	1,042
Advertising	318	4,258
Meetings	9,303	7,852
Subscription - membership	831	767
Printing and stationery	-	-
TOTAL ADMINISTRATION EXPENSES	<u>12,596</u>	<u>16,116</u>
Note 4C: Grants and Donations		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
	<u>-</u>	<u>-</u>
Note 4D: Other expenses		
Excellence/apprentice awards	98,092	95,824
Insurance	284	337
Administration fee to NECA NSW Chapter	74,866	68,311
Penalties – via RO ACT or <i>Fair Work Act 2009</i>	-	-
Bad debts	(626)	1,575
Membership Services	1,467	1,270
TOTAL OTHER EXPENSES	<u>174,083</u>	<u>167,317</u>

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	2018	2017
	\$	\$
4E: Employee Expenses		
Holders of Office:	-	-
Wages and Salaries	-	-
Superannuation	-	-
Leave and Other Entitlements	-	-
Separation & Redundancies	-	-
Other Employee Expenses	-	-
Subtotal employee expenses holders of office	-	-
 Employees other than office holders:		
Wages and Salaries	-	-
Superannuation	-	-
Leave and Other Entitlements	-	-
Separation & Redundancies	-	-
Other Employee Expenses	-	-
Subtotal employee expenses employees other than office holders	-	-
Total Employee Expenses	-	-

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NOTE 5: CURRENT ASSETS

	2018	2017
	\$	\$
Note 5A: Cash and Cash Equivalents		
Cash at Bank	86,560	57,707
Cash Management Account	205,282	200,980
TOTAL CASH AND CASH EQUIVALENTS	291,842	258,687

Note 5B: Trade and Other Receivables

Trade Receivables	68,278	103,037
Other Debtors	1,026	1,254
TOTAL TRADE AND OTHER RECEIVABLES (NET)	69,304	104,291

There are no balances receivable from any other reporting unit at year end.

Note 5C: Other Current Assets

Prepayments	212	193
Deferred Costs	18,909	5,728
TOTAL OTHER CURRENT ASSETS	19,122	5,921

NOTE 6 NON-CURRENT ASSETS

Acquisition of Software	6,500	-
TOTAL NON-CURRENT ASSETS	6,500	-

NOTE 7: CURRENT LIABILITIES

Note 7A: Trade Payables

Trade Creditors and Accruals	-	-
SUBTOTAL TRADE PAYABLES	-	-

Payable to other Reporting Unit(s)

NECA National	-	-
NECA NSW Chapter	30,075	10,140
SUBTOTAL PAYABLES TO OTHER REPORTING UNIT(S)	30,075	10,140

TOTAL TRADE PAYABLES	30,075	10,140
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
Note 7B: Other Payables		
Prepayments received/unearned revenue	129,578	135,575
GST Payable	6,233	9,189
Other	2,474	5,588
TOTAL OTHER PAYABLES	138,285	150,352
There are no balances payable to any other reporting unit at year end.		

NOTE 8: EMPLOYEE PROVISIONS

8A: Employee Provisions

Office Holders:

Annual Leave	-	-
Long Service Leave	-	-
Subtotal Employee Provisions – Office Holders	-	-

Employees other than office holders:

Annual Leave	-	-
Long Service leave	-	-
Subtotal Employee Provisions – Employees Other than Office Holders	-	-
Total Employee Provisions	-	-

Current	-	-
Non-Current	-	-
Total Employee Provisions	-	-

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NOTE 9: CASH FLOW

	2018	2017
	\$	\$
Note 9A: Cash Flow Reconciliation		
Reconciliation of cash and cash equivalents as per Statement of Cashflows to Statement of Financial Position		
Cash and Cash Equivalent as per:		
Statement of Cashflows	291,842	258,687
Statement of Financial Position	291,842	258,687
	-	-
Reconciliation of Profit to Net Cash from Operating Activities:		
Profit for the year	10,000	10,000
Changes in Assets/Liabilities		
(Increase)/decrease in net receivables	21,806	(19,753)
(Increase)/decrease in prepayments	(19)	3,967
Increase/(decrease) in supplier payables	7,868	(4,806)
Increase/(decrease) in other payables	-	4,003
Increase/(decrease) in employee provisions	-	-
Increase/(decrease) in other provisions	-	-
NET CASH FROM (USED BY) OPERATING ACTIVITIES	39,655	(6,589)
Note 9B: Cash Flow Information		
Cash Inflows		
NECA – National	-	-
NECA – NSW Chapter (other reporting unit)	46,840	45,579
ECA Training Ltd (related party)	-	543
TOTAL CASH INFLOWS	46,840	46,122
Cash Outflows		
NECA – National (other reporting units)	63,220	56,133
NECA – VIC Chapter (other reporting unit)	-	150
NECA – QLD Chapter (other reporting unit)	-	-
NECA – NSW Chapter (other reporting unit)	75,930	88,517
ECA Training (related party)	-	-
NECA Legal (related party)	-	2,406
NECA TAS	-	-
TOTAL CASH OUTFLOWS	139,150	147,206

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NOTE 10: RELATED PARTY DISCLOSURES

	2018	2017
	\$	\$
Note 10A: Related party transactions for the reporting period		
The following table provides the total amount of transactions that have been entered with related parties for the relevant year.		
Revenue received from NECA – NSW Chapter includes the following:		
Sponsorship	42,582	39,875
Other	-	1,560
Revenue received from NECA Training Ltd includes the following:		
Other	-	493
Revenue received from ECA Training Pty Ltd includes the following:		
Events	-	-
Expenses paid to NECA – NSW Chapter includes the following:		
Administration fee	60,000	60,000
Advertisement	-	-
Other	27,152	16,511
Expenses paid to NECA National includes the following:		
Capitation fee	27,522	28,088
Other	3,771	1,766
Event	26,180	21,130
Loan	-	-
Expenses paid to NECA – VIC Chapter includes the following:		
Events	-	-
Other	-	-
Expenses paid to NECA – QLD Chapter includes the following:		
QLD Grant – total paid that were \$1,000 or less	-	-
QLD Grant – total paid that exceeded \$1,000	-	-
Expenses paid to NECA Legal Pty Ltd includes the following:		
Training Seminar	-	2,188

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Terms and Conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the yearend are unsecured and interest free settlement occurs in cash. There have been no guarantees provided or received for any related party receivables and payables.

For the year ended 30 June 2018, the National Electrical Contractors Association – ACT Chapter has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2017: \$NIL). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTE 11: REMUNERATION OF AUDITORS

	2018	2017
	\$	\$
Value of the services provided		
Financial statement audit services	2,474	2,300
Other Services	-	-
Total remuneration of auditors	2,474	2,300

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

NOTE 12: ADMINISTRATION OF FINANCIAL AFFAIRS BY A THIRD PARTY

Name of Entity providing service:	National Electrical Contractors Associations – NSW Chapter (NECA – NSW)
Terms and Conditions:	NECA – NSW will manage all of NECA – ACT Chapters operations for which it will charge an administration fee of \$5,000 per month. If at the end of the financial year NECA – ACT has in excess of \$10,000 in profits, NECA – NSW will appropriate the excess.
Nature of expenses/consultancy service:	Administration and Membership Services

Detailed breakdown of revenues collected and/or expenses incurred

	2018	2017
	\$	\$
EXPENSES		
Administration expenses	74,866	68,311
TOTAL EXPENSES	74,866	68,311

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NOTE 13: SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

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

Information to be provided to members or General Manager:

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

NOTE 14: BUSINESS COMBINATION

No business combinations occurred during the financial year.

NOTE 15: GENERAL FUNDS

There are no funds or accounts operated in respect of voluntary contributions or compulsory levies.

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NOTE 16: FINANCIAL INSTRUMENTS

The association's finance manager is responsible for, among other issues, monitoring and managing financial risk exposures of the association. The finance manager 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 monthly and minuted by the committee of management.

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

	2018 \$	2017 \$
16A: Categories of financial instruments		
Financial Assets		
Fair Value through profit or loss:		
Cash and Cash Equivalents	291,842	258,687
Total	291,842	258,687
Loans and Receivables:		
Trade Receivables	68,278	103,037
Total	68,278	103,037
Carrying Amount of Financial Assets	360,120	361,724
Loans and Payables:		
GST Payable	6,233	9,189
NECA NSW Chapter	30,075	10,140
Total	36,308	19,329
Carrying Amount of Financial Liabilities	36,308	19,329

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Note 16B: Market Risk

Market risk is the risk that changes in market prices, such as interest rates will affect the fair value or future cash flows of the Company's financial instruments.

The reporting unit exposure to interest rate risk is in relation to cash and cash equivalents

Sensitivity analysis of the risk that the entity is exposed to for 2018

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Interest Rate Risk	Interest Rate Increase	+2%	5,836	5,836
Interest Rate Risk	Interest Rate Decrease	- 2%	(5,836)	(5,836)

Sensitivity analysis of the risk that the entity is exposed to for 2017

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Interest Rate Risk	Interest Rate Increase	+2%	5,173	5,173
Interest Rate Risk	Interest Rate Decrease	- 2%	(5,173)	(5,173)

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NOTE 17: FAIR VALUE MEASUREMENT

17A: 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 year. Their own performance risk as at 30 June 2018 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 entity 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 2018 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 ACT Chapter financial assets and liabilities:

	Carrying amount	Fair Value	Carrying amount	Fair Value
	2018 \$	2018 \$	2017 \$	2017 \$
Financial Assets				
Cash at Bank/on Hand	291,842	291,842	258,687	258,687
Trade Receivables	68,278	68,278	103,037	103,037
Total	360,120	360,120	361,724	361,724
Financial Liabilities				
GST Payable	6,233	6,233	9,189	9,189
NECA NSW Chapter	30,075	30,075	10,140	10,140
Total	36,308	36,308	19,329	19,329

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Note 17B: Financial and Non-Financial Assets and Liabilities Fair Value Hierarchy

The following tables provide an analysis of financial and non-financial assets and liabilities that are measured at fair value, by fair value hierarchy.

Fair value hierarchy – 30 June 2018

	Level 1	Level 2	Level 3
Assets measured at fair value	\$	\$	\$
Cash at Bank / on Hand	291,842	-	-
Trade Receivables	68,278	-	-
▫ Total	360,120	-	-
Liabilities measured at fair value			
GST Payable	6,233	-	-
NECA NSW Chapter	30,075	-	-
Total	36,308	-	-

Fair value hierarchy – 30 June 2017

	Level 1	Level 2	Level 3
Assets measured at fair value	\$	\$	\$
Cash at Bank / on Hand	258,687	-	-
Trade Receivables	103,037	-	-
▫ Total	361,724	-	-
Liabilities measured at fair value			
GST Payable	9,189	-	-
NECA NSW Chapter	10,140	-	-
Total	19,329	-	-

**NATIONAL ELECTRICAL CONTRACTORS
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NOTE 18: OTHER DISCLOSURES AS REQUIRED BY REPORTING GUIDELINES

	2018	2017
	\$	\$
The operation of any fund or account (other than a general fund) required by the rules of the organisation	-	-

NOTE 19: CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

There were no contingent liabilities or assets as at 30 June 2018 (2017: \$nil)

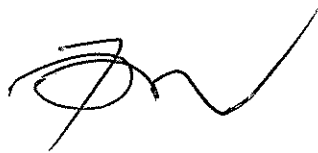
**NATIONAL ELECTRICAL CONTRACTORS
ASSOCIATION – ACT CHAPTER
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CERTIFICATE BY MEMBERS OF THE EXECUTIVE COMMITTEE**

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

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

Dated: 15/11/18

Mr. B. Skinner – President



Mr. O. Judd – Secretary



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

STATEMENT CONCERNING LIABILITIES AND CERTAIN OTHER MATTER

To Moore Stephens NSW,

In connection with your examination of the financial statements of National Electrical Contractors Association ACT Chapter as at 30 June 2018 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 so as to present a view which is consistent with your understanding of National Electrical Contractors Association ACT financial position, the results of its operations and its cash flows.

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

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

1. Liabilities

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

2. Contingent Liabilities and Other claims

The terms 'contingent liabilities' and 'claims' apply, but are not limited to such items as discounted or assigned debts; accommodation endorsements; guarantees; warranties; sureties; open 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

There have been no commitments into for capital expenditure as at the above date.

5. Pledged assets

At the above date no assets 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.

**NATIONAL ELECTRICAL CONTRACTORS
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STATEMENT CONCERNING LIABILITIES AND CERTAIN OTHER MATTER

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.

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.

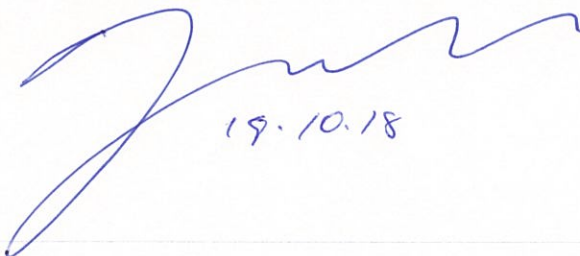
The financial statements are free of material misstatements, including omissions.

Mr. B. Skinner
President
Dated:



18.10.18

Mr. O. Judd
Secretary
Dated:



19.10.18

**NATIONAL ELECTRICAL CONTRACTORS
ASSOCIATION – ACT CHAPTER
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OFFICER DECLARATION STATEMENT

I, B. Skinner – President and O. Judd – Secretary, being the National Electrical Contractors Association – ACT Chapter, declare that the following activities did not occur during the reporting period ending 30 June 2018.

The report unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provided financial support to another reporting unit to ensure they continue as a going concern
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay affiliation fees to another entity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- pay legal costs relating to litigation
- pay legal costs relating to other legal matters
- pay a penalty imposed under the RO Act or the *Fair work Act 2009*

**NATIONAL ELECTRICAL CONTRACTORS
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OFFICER DECLARATION STATEMENT (Continued)

- have a payable to employers as consideration for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have a balance within the general fund
- make a payment to a former related party of the reporting unit

Signed by the officer: _____

Dated: _____

Signed by the officer: _____

Dated: _____