

Annual Report

For the year ended 30 June 2023

Master Electricians Association Limited **ACN 163 222 642**

Master Electricians Association Queensland **ABN 40 669 256 171**



MASTER
ELECTRICIANS
AUSTRALIA

Mission Statement

The electrical industry and community advocate creating a point of difference for our members by delivering education, safety and business support.

Vision Statement

The Industry voice and the Electrician's choice.

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Master Electricians Association Queensland Industrial Organisation of Employers

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President's Report

It's hard for me to believe, but I've hit the homestretch in my 4-year term as MEA President. I was raring to go, from the moment the starting gates opened in 2019. Little did I know the track would be such a wild ride; navigating a worldwide pandemic, implementing, and staying compliant with WH&S rules that limited interactions with peers and your customers, whilst trying to keep your staff employed and your business profitable. And that was only year 1! As we rounded the first bend, we were hit with supply chain issues, a boom in home building and a shortage in skilled labour. No matter the hurdle, we jumped it.

I can now see the finish line and with a few yards to go, it's a wonderful moment to reflect on the past 4 years. As an industry we've become even more robust, agile, nimble, we've leaned-in and pivoted. Whatever words you like to use, the truth is we adapted our business strategy and we survived. The Association did the same. Malcolm Richards, MEA CEO, and his team have worked closely with the Board to build a strategic plan, providing a roadmap for the next 3 years.

I wish to thank the MEAL Board and the MEAQ Council for their effort and commitment. Our Board and Council are made up of members, just like you, from across Australia. They volunteer their time to provide strategic direction, ensuring we continue to deliver the services members need and advocate on behalf of our members on business-critical issues.

I'm pleased to report your Association is in a very healthy state. Over the past 4 years (30 June 2019 – 30 June 2023) our membership base has grown by 35%. Much of this growth occurred outside of QLD, we are truly a national association! Our net assets have grown from \$6m to \$10m and we've delivered a surplus of \$3.5m over 4 years. Thanks to a prudent investment strategy, the Association is now positioned to further invest in business tools, products and services that will deliver even more value to all Master Electricians.

On a final note, as I approach the finishing post, I'm pleased to advise the ACCC has approved the accreditation of the Master Electrician Bronze/Silver/Gold trademarks (Industry Recognition Program). These are now with IP Australia for publication. This is a massive achievement; recognition by the ACCC of the governance and rules MEA has put in place to protect the MEA brand whilst allowing all members to leverage the value of being recognised as a Bronze, Silver or Gold Master Electrician.

I wish you well and look forward to seeing you at the conference in Queenstown, NZ.

Cheers

John Horan

President, MEA





CEO's Report

FY 22/23 has been another solid year of change, which has led to many opportunities.

A change in Federal Government and a renewed focus on net zero has highlighted the deficit we currently have in the trade skills market. MEA has worked hard to advocate for more support to increase the volume of highly skilled sparkies. We teamed up with the ETU and NECA to put in a bid for a Jobs and Skills Council to be established for the energy sector. As of July 2023, that council is up and running – the Powering Skills Organisation (PSO). The PSO has been set up to provide workforce capability and skills planning that support a transitioning energy sector, to assist industry with information, leadership, and support, improve training frameworks, develop new training materials, and use a train-the-trainers model.

If we are to attract more sparkies, many of which will go on to run their own contracting businesses, we need to streamline process and reduce cost to business. Thanks to the work of MEA, who went head-to-head with Standards Australia, we as an industry had a massive win. Standards Australia had planned to significantly increase costs to Associations, TAFE's, and libraries to access Australian Standards. It was outrageous and of no-benefit to the industry. MEA took it all the way to the Federal Government. The end result, Standards Australia are now exploring more affordable models that will ensure tradies can access the Standards they need, when they need them. Whilst the options are under development, all MEA members will continue to have access to Standards at no cost, one of the many benefits of being a Master Electrician.

I'm pleased I had the opportunity to speak with many members across Australia as part of our Clean Energy Smart Technology Tradeshow. Our challenges remain similar to previous years; getting builders to pay, safety, cash flow concerns, shortage of labour and skills, escalating business costs, a slight easing of pressure off the supply chain and staff retention. The issues you raise help guide much of what MEA delivers to members. MEA continues to advocate to Government for the full implementation of the Murray Review in regard to security of payment. We continue to fight for national licensing, consistency of CPD laws and removal of costly red tape. We've had wins with the creation of the PSO and Standards Australia.

Safety of course remains one of the top 5 business concerns. It is for this reason MEA continues to invest in ME Safety to ensure you can access the benchmark in safety systems at an affordable price. We are exploring new ways to access ME Safety, thanks to your feedback. I hope to have more news in the coming months.

Also at the top of our list for FY 23/24 is a planned investment in innovation; firstly in regard to the Master Program and secondly our technology. The Master program must continue to evolve in-line with industry changes. The program focusses on the fundamentals you need to have in-place to set up for long term success. This includes understanding the financials and the financial levers you can use to increase profit or reduce costs, what marketing assets you need to attract business, how to identify your best customers, understanding legal contracts, the T&C's you need in place and much more. We'll also be investing in our digital assets including a new website with a focus on making it easier for you to access content and receive business critical information.

It's going to be a massive year. I thank you for your support during the previous 12 months and look forward to delivering even more value in FY 23/24.

Stay safe.

Malcolm Richards

CEO





Master Electricians Association Limited

Financial report for the year ended 30 June 2023

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Directors' Report

Your directors present this report on the company for the financial year ended 30 June 2023.

Directors

The names of the directors in office at any time during the year and to the date of this report are:

John Horan
James Johnson
Troy Smith
Erik Scholz
Rowan Diamond
Ray Sherriff
Alex Foster
Stephanie Gee
Peter Matthews
Sarah Loveday

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activity of the Company during the financial year was the provision of membership services.

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

Operating Results

The directors have reviewed the operations for the year ended 30 June 2023 and report that the operations have been consistent with the 2023 operating budget.

The result from operations was a profit after tax for the year ended 30 June 2023 of \$13,836 (2022: profit after tax of \$12,736).

Dividends Paid or Recommended

No dividends have been paid or declared since the start of the financial year (2022: \$nil).

Significant Changes in State of Affairs

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

Environmental Regulations

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Directors' Report (continued)

Information on Directors

John Horan

- Licensed electrical contractor
- Self-employed; Former Director/Chair Master Electricians Australia Limited

Troy Smith

- Licensed electrical contractor
- Self-employed; Director Master Electricians Australia Limited

James Johnson

- MB Marketing; Harvard BS – Global Strategic Management
- Director Master Electricians Australia Limited

Erik Scholz

- Self-employed; Director Master Electricians Australia Limited

Rowan Diamond

- Licensed electrical contractor
- Self-employed; Director Master Electricians Australia Limited

Ray Sherriff

- Licensed electrical contractor
- Self-employed; Director Master Electricians Australia Limited

Alex Foster

- Licensed electrical contractor
- Self-employed; Director Master Electricians Australia Limited

Stephanie Gee

- Self-employed; Director Master Electricians Australia Limited

Peter Matthews

- Licensed electrical contractor
- Self-employed; Director Master Electricians Australia Limited

Sarah Loveday

- Licensed electrical contractor
- Self-employed; Director Master Electricians Australia Limited

Company Secretary

Malcolm Richards

- Extensive industry experience supported by qualifications
- Electrician, Dip Front Line Management, Dip Engineering, Masters Business Administration

Directors' Report (continued)

Key Management Personnel Remuneration Policy

The Company does not currently employ staff and as such there is no information to disclose regarding remuneration for key management personnel.

Meetings of Directors

During the financial year, 6 meetings of directors were held. Attendances by each director during the year were as follows:

Name	Directors' Meetings	
	Number Eligible to Attend	Number Attended
John Horan	6	6
Troy Smith	6	6
James Johnson	6	5
Erik Scholz	6	3
Rowan Diamond	6	5
Ray Sherriff	6	5
Alex Foster	6	6
Stephanie Gee	6	6
Peter Matthews	6	6
Sarah Loveday	6	6

Likely Developments

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Options

No options over issued shares or interests in the Company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Indemnifying Officers or Auditors

The Company has agreements with each of the directors and officers of the company in office at the date of this report indemnifying them against liabilities to any person other than the company that may arise from their acting as directors or officers of the company.

Directors' Report (continued)

The indemnity applies, notwithstanding that they may have ceased to hold office, other than where such liabilities arise out of conduct involving a wilful breach of duty, the improper use by directors or officers of their position or of information to gain an advantage for themselves or someone else or to cause detriment to the company.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability, as such disclosures are prohibited under the terms of the contract.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an auditor of the company.

Matters Subsequent to the End of the Financial Year

There have been no matters or circumstances since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Proceedings on Behalf of the Company

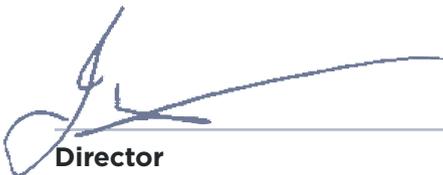
No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the lead Auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 6 and forms part of the Directors' Report.

Signed in accordance with a resolution of the Board of Directors of Master Electricians Association Limited.



Director

Date: 29 August 2023

Auditor's Independence Declaration



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Auditor's Independence Declaration

As auditor of Master Electricians Association Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Master Electricians Association Limited during the year.

Crowe Audit Australia
Crowe Audit Australia

Wicus Wessels
Wicus Wessels
Partner
Date: 21/8/23.
Brisbane

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The title 'Partner' conveys that the person is a senior member within their respective division and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Revenue from continuing operations		1,387,719	1,273,630
Agency fee - MEAQ		(1,373,841)	(1,260,894)
Other expenses		(42)	-
Profit before income tax		13,836	12,736
Income tax expense		-	-
Profit after income tax		13,836	12,736
Other comprehensive income for the year		-	-
TOTAL COMPREHENSIVE PROFIT FOR THE YEAR ATTRIBUTABLE TO MEMBERS		13,836	12,736

The accompanying notes form part of these financial statements.

Statement of Financial Position

FOR THE YEAR ENDED 30 JUNE 2023

		2023	2022
	Note	\$	\$
CURRENT ASSETS			
Cash and cash equivalents	2	90,806	-
Trade and other receivables	3	184,057	252,989
TOTAL ASSETS		274,863	252,989
CURRENT LIABILITIES			
Trades and other payables	4	184,774	176,737
TOTAL LIABILITIES		184,774	176,737
NET ASSETS		90,089	76,253
EQUITY			
Retained earnings		90,089	76,253
TOTAL EQUITY		90,089	76,253

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2023

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2021	63,517	63,517
Income for the year	12,736	12,736
Other comprehensive income	-	-
Balance at 30 June 2022	76,253	76,253
Balance at 1 July 2022	76,253	76,253
Income for the year	13,836	13,836
Other comprehensive income	-	-
Balance at 30 June 2023	90,089	90,089

The accompanying notes form part of these financial statements.

Statement of Cash Flow

FOR THE YEAR ENDED 30 JUNE 2023

		2023	2022
	Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,472,644	1,259,232
Payments to suppliers and employees		(1,381,838)	(1,259,232)
NET CASH FROM OPERATING ACTIVITIES	2	90,806	-
NET CASH FROM INVESTING ACTIVITIES		-	-
NET CASH FROM FINANCING ACTIVITIES		-	-
Net increase/(decrease) in cash and cash equivalents held		90,806	-
Cash and cash equivalents at the beginning of the year		-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		90,806	-

The accompanying notes form part of these financial statements.

Notes to the Financial Statement

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Reporting company

Master Electricians Association Limited (“the company”) is an unlisted public company limited by guarantee incorporated and domiciled in Australia. The financial report covers Master Electricians Association Limited as an individual company.

The company is primarily involved in the mutual protection and advancement of members of the Association so as to enable the public and community in general to be best served by the industry.

The financial report was authorised for issue by the board of directors on 29th August 2023.

Basis of Preparation

Statement of Compliance

The financial report of Master Electricians Association Limited is a general-purpose financial report prepared in accordance with Australian Accounting Standards – Simplified Disclosure Requirements including Australian Accounting Interpretations and other pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

Reporting Basis and Conventions

The financial report is presented in Australian dollars.

The preparation of the financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, revenue and expenses.

- **Critical Accounting Estimates and Judgments**

The estimates and judgments incorporated into the financial report are based on historical experiences and the best available current information on current trends and economic data, obtained both externally and within the company. The estimates and judgements made assume a reasonable expectation of future events, but actual results may differ from these estimates.

The financial report has been prepared on an accrual basis and are based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

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

Notes to the Financial Statement

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Income Tax

The charge for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance date.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial report. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised, or liability is settled. Deferred tax is credited in the statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Because of the principal of mutuality, only income arising from non-member activities is subject to income tax. The company is able to identify all non-member income.

b) Cash and Cash Equivalents

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

c) Revenue

The Company supports members by facilitating the delivery of industry advice, expertise, and services.

Constitutional changes during the year facilitated the company introducing a wider range of membership subscription options to electrical contractors.

Membership fees are set each year. The new fee structure becomes applicable 1 June annually. Revenue from fees is recognised over-time as the member consumes the services available.

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

Notes to the Financial Statement

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Unearned Income

Fees received in advance are deferred and matched against billings as services are performed.

e) Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as a separate line item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

f) Comparative Figures

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

g) Trade and Other Receivables

Trade Receivables are initially classified at cost and subsequently measured at amortised cost.

The Company measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Trade receivables and other receivables are non-interest bearing and receipt is normally on 30-to-60-day terms. Therefore, the carrying value of trade receivables and other receivables approximates its fair value.

h) Trade Creditors and Payables

A liability is recorded for goods and services received prior to balance date, whether invoiced or not. Trade creditors are settled in accordance with supplier payment terms.

i) Statement of cash flows

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of any outstanding bank overdrafts.

Notes to the Financial Statement

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 2 - CASH AND CASH EQUIVALENTS

	2023	2022
	\$	\$
Cash at bank	90,806	-
	<u>90,806</u>	<u>-</u>

NOTE 3 - TRADE AND OTHER RECEIVABLES

	2023	2022
	\$	\$
Accounts receivable	1,239	-
Prepayments	182,818	174,862
Loan to MEAQ	-	78,127
	<u>184,057</u>	<u>252,989</u>

NOTE 4 - TRADE AND OTHER PAYABLES

	2023	2022
	\$	\$
Revenue received in advance	184,665	176,628
Other payables	109	109
	<u>184,774</u>	<u>176,737</u>

Notes to the Financial Statement

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 5 - CASH FLOW INFORMATION

	2023	2022
	\$	\$
Reconciliation of net cash from operating activities to profit/(loss) after income tax		
Net profit/(loss) after income tax	13,836	12,736
Adjustment for changes in assets and liabilities		
(Increase)/decrease in prepayments	76,889	1,666
(Increase)/decrease in loans to related parties	(7,956)	(12,715)
Increase/(decrease) in payables	8,037	(1,688)
Net cash from operating activities	90,806	-

NOTE 6 - REMUNERATION OF AUDITORS

During the year the fees in relation to the audit of the Company were paid for by Master Electricians Association Queensland Industrial Organisation of Employers.

NOTE 7 - CONTINGENT LIABILITIES

The company has provided an unlimited guarantee to the lenders of the parent entity (Master Electricians Association Queensland Industrial Organisation of Employers). The parent entity had a borrowing facility of \$3,526,833 as at 30 June 2023 (2022 - \$3,802,154). No material liability is expected to arise from this guarantee.

Notes to the Financial Statement

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 8 - RELATED PARTY TRANSACTIONS

A Commercial Agreement exists between the company and Master Electricians Association Queensland Organisation of Employers (MEAQ).

MEAQ invoices and receives membership fees on behalf of the Company. Revenue received on behalf of the Company is transferred in full to the Company.

Under the Commercial Agreement, in return for the services provided by MEAQ, the Company pays MEAQ 99% of the total Membership Fee revenue received.

	Consolidated	
	2023 \$	2022 \$
Membership fees invoiced by MEAQ and transferred to the Company	1,387,719	1,273,630
Agency Fee paid by the Company to MEAQ	(1,373,841)	(1,260,894)
Profit retained by the Company	13,878	12,736
Agency fee as a % of Membership Fee Revenue Received	99%	99%

NOTE 9 - EVENTS AFTER BALANCE DATE

No material events occurred after balance date and to the date of this report requiring disclosure.

NOTE 10 - MEMBERS GUARANTEE

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. Changes were made to the Company's constitution during the 2019/20 financial year removing the classification of Accredited Member and extending the rights and responsibilities of the previously Accredited Members to all members of the Company. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2023, the total amount that members of the Company are liable to contribute if the Company is wound up is \$9,970 (2022: \$9,530).

NOTE 11 - COMPANY DETAILS

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

Master Electricians Association Limited

57 Berwick Street
Fortitude Valley QLD 4006

Directors' Declaration

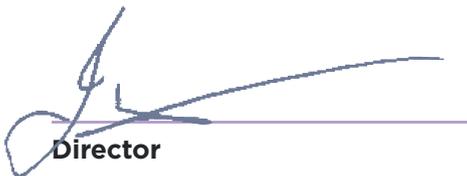
FOR THE YEAR ENDED 30 JUNE 2023

Master Electricians Association Limited

The directors declare that:

- (a) The financial statements and notes, as set out on pages 7 to 15 are in accordance with the Corporations Act 2001, including:
 - i Complying with the Australian Accounting Standards including International Financial Reporting Standards as referred to in Note 1, and the Corporations Regulations 2001;
 - and
 - ii Giving a true and fair view of the company's financial position as at 30 June 2023 and its performance for the year ended on that date; and
- (b) In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors of Master Electricians Association Limited.



Director

Signed at Brisbane this 29th day of August 2023.

Independent Auditor's Report

FOR THE YEAR ENDED 30 JUNE 2023



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Independent Auditor's Report

To the Members of Master Electricians Association Limited

Opinion

We have audited the financial report of Master Electricians Association Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Master Electricians Association Limited is in accordance with the *Corporations Act 2001*, including:

- (a) Giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year then ended.
- (b) Complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information

The directors are responsible for the other information. The other information comprises the information contained in the Company's Director's Report for the year ended 30 June 2023 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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Independent Auditor's Report

FOR THE YEAR ENDED 30 JUNE 2023



In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are 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 our 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 Company'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 directors' 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company 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.

Independent Auditor's Report

FOR THE YEAR ENDED 30 JUNE 2023



We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

Crowe Audit Australia
Crowe Audit Australia

Wicus Wessels
Wicus Wessels

Partner

Date: 21/8/23.
Brisbane





ABN 40 669 256 171

Master Electricians Association Queensland Industrial Organisation of Employers

Consolidated financial statements for the year ended 30 June 2023

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Consolidated Statements of Profit and Loss

FOR THE YEAR ENDED 30 JUNE 2023

	Note	Consolidated	
		2023	2022
		\$	\$
Sales revenue	2	7,968,736	7,114,243
Cost of sales		(1,516,935)	(1,088,524)
Gross Profit		6,451,801	6,025,719
Other income	3	1,359,987	1,388,870
Employee costs		(4,983,231)	(4,162,205)
Depreciation and amortisation		(342,254)	(234,224)
Finance costs		(62,333)	(35,577)
Legal costs		(60,393)	(60,449)
Other expenses		(1,865,419)	(1,940,473)
Operating Result		498,158	981,661
Surplus before income tax expense		498,158	981,661
Income tax expense		-	-
Surplus for the year after income tax expense		498,158	981,661

The accompanying notes form part of these financial statements.

Consolidated Statements of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2023

	Note	Consolidated	
		2023	2022
		\$	\$
Surplus for the year		498,158	981,661
Other comprehensive income		-	-
Total comprehensive income for the year		498,158	981,661

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

FOR THE YEAR ENDED 30 JUNE 2023

	Note	Consolidated	
		2023	2022
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	5	1,411,718	2,079,539
Trade and other receivables	6a	1,099,673	949,929
Financial assets at fair value	7	608,718	-
Total current assets		3,120,109	3,029,468
Non-current assets			
Property, plant and equipment	8	10,164,315	9,226,328
Intangibles	9	1,234,014	1,335,845
Total non-current assets		11,398,329	10,562,173
TOTAL ASSETS		14,518,438	13,591,641
LIABILITIES			
Current liabilities			
Trade and other payables	10a	2,582,438	2,418,918
Financial liabilities	11a	1,326,833	273,609
Provision for employee entitlements		596,382	595,013
Total current liabilities		4,505,653	3,287,540
Non-current liabilities			
Other payables	10b	4,950	81,116
Financial liabilities	11b	-	728,545
Provision for employee entitlements		58,560	43,323
Total non-current liabilities		63,510	852,984
TOTAL LIABILITIES		4,569,163	4,140,523
NET ASSETS		9,949,275	9,451,117
EQUITY			
Reserves		4,669,428	4,669,428
Retained earnings		5,279,847	4,781,689
TOTAL EQUITY		9,949,275	9,451,117

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2023

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
CONSOLIDATED			
Balance at 1 July 2021	3,800,029	4,669,428	8,469,457
Surplus for the year after income tax expense	981,660	-	981,660
Other comprehensive income	-	-	-
Balance at 30 June 2022	4,781,689	4,669,428	9,451,117
Balance at 1 July 2022	4,781,689	4,669,428	9,451,117
Surplus for the year after income tax expense	498,158	-	498,158
Other comprehensive income	-	-	-
Total comprehensive income for the year	5,279,847	4,669,428	9,949,275

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2023

	Note	Consolidated	
		2023	2022
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers and members (includes GST)		9,403,422	8,514,668
Cash paid to suppliers and employees (includes GST)		(8,560,334)	(7,293,988)
		843,088	1,220,680
Interest received		13,874	637
Interest paid		(62,333)	(35,577)
Net Cash Provided by Operating Activities		794,629	1,185,740
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,232,315)	(446,785)
Proceeds from disposal of property, plant and equipment		53,904	24,817
Purchase of investments		(608,718)	-
Net Cash Used in Investing Activities		(1,787,129)	(421,968)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(275,321)	(262,548)
Transfers to loan offset		600,000	(500,000)
Net Cash Used in Financing Activities		324,679	(762,548)
Net increase / (decrease) in cash and cash equivalents		(667,821)	1,224
Cash and cash equivalents at the beginning of the year		2,079,539	2,078,315
Cash and cash equivalents at the end of the year		1,411,718	2,079,539

The accompanying notes form part of these financial statements.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This consolidated report includes the Consolidated Financial Statements and Notes to the Consolidated Financial Statements, which are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Accounting Interpretations to the extent that they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Industrial Relations Act 2016 of Queensland.

The financial statements cover Master Electricians Association Queensland Industrial Organisation of Employers as an individual entity ("Parent entity" or the "Association") and Master Electricians Association Queensland Industrial Organisation of Employers and its controlled entities ("Consolidated entity"). Master Electricians Association Queensland Industrial Organisation of Employers is an association incorporated in Queensland under the Industrial Relations Act 2016.

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

a) Reporting Basis and Conventions

The consolidated financial statements have been prepared on an accrual basis and are based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

b) Income Tax

The Association is exempt from income tax in accordance with the provisions of Section 50 of the Income Tax Assessment Act 1997, accordingly no tax liability is recognised for the parent entity. The controlled entities are subject to income tax.

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or non-allowable items. It is calculated using tax rates that have been enacted or are substantively enacted by the end of the reporting period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax is credited in the statement of profit or loss except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be claimed.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the controlled entities will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Revenue

The Association is a trade association recognised by industry, government and the community as the electrical industry's leading business partner, knowledge source and advocate. The Association supports members by delivering industry advice, expertise and services.

Membership fees are set each year through a Council resolution, with new fee structure becoming applicable 1 June annually. Revenue from fees is recognised over-time as the member consumes the services available.

The Association receives contractual sponsorship funding, supporting the organisation in providing and extending services to benefit the electrical industry. The revenue from contractual sponsorship is recognised in line with the satisfaction of the performance obligations of the individual contracts. Revenue is recognised either at a point in time, or over-time, depending upon the terms of each contract.

The Association also receives grant funding, supporting the organisation in providing and extending services to benefit the electrical industry. The revenue from grant funding is recognised in line with the satisfaction of the performance obligations of the individual agreements. Revenue is recognised either at a point in time, or over-time, depending upon the terms of each agreement.

The Association is a party to contractual arrangements where the contract or agreement does not include the specific purpose to which the funds must be directed. The Association is also a party to contractual arrangements where the contract or agreement may specify the purpose for which the funds are provided but fails to provide specific performance obligations against which the organisation is able to recognise the revenue. In both instances, the organisation recognises the revenue when received.

Interest income is recognised as received.

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

d) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within financial liabilities in current liabilities in the consolidated statement of financial position.

e) Unearned Income

Fees received in advance are deferred and matched against billings as services are performed.

Customer deposits consist of payments received in advance from customers, deposits on credit sales for undelivered services and membership fees and cash collections on sales of undelivered merchandise.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Property, plant and equipment

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

Property

Freehold land and buildings are shown at fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

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

Depreciation

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

Class of fixed asset

Buildings	2.50%
Furniture, Fixtures & Fittings	7.50% to 33.00%
IT and Office Equipment	6.50% to 33.00%
Motor Vehicles	12.50%
Plant and Equipment	5.00% to 6.70%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Intangibles

Goodwill is carried at cost less accumulated impairment losses. Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units (or groups of cash generating units) expected to benefit from the synergies of the combination. Cash generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' service up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of the expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and period of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

h) Provisions

Provisions are recognised when the consolidated entity has a legal or constructive obligations, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

i) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the costs of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in statement of profit or loss in the period in which they are incurred.

j) Leases

Leases with a term of more than 12 months, unless the underlying asset is of low value, are recognised as assets and liabilities. The value of the asset recognises the right-of-use of the underlying leased asset, and the liability represents the obligation to make the lease payments. Assets and liabilities are measured on a present value basis.

k) Trade payables

Trade and other payables are stated at amortised cost, which approximates fair value due to the short-term nature of these liabilities.

l) Trade receivables

Trade receivables are initially classified at cost and subsequently measured at amortised cost.

The Association measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Trade receivables and other receivables are non-interest bearing and receipt is normally on 30-to-60-day terms. Therefore, the carrying value of trade receivables and other receivables approximates its fair value.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

m) Fair value measurement

All assets and liabilities of the association for which fair value is measured or disclosed in the financial statements are categorized within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- Level 1 – represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
- Level 2 – represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
- Level 3 – represents fair value measurements that are substantially derived from unobservable inputs.

n) Grants

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss.

o) Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from or payable to, the Australian Taxation Office is included with other receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the Australian Taxation Office, are presented as operating cash flows.

p) Impairment

At the end of each reporting period, the consolidated 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 statement of profit or loss.

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

q) Principles of consolidation

A controlled entity is an entity that the parent entity has the power to control the financial and operating policies of an entity so as to obtain benefits from its activities. A list of controlled entities is contained in Note 11 to the financial statements. All controlled entities have a 30 June financial year-end.

All inter-company balances and transactions between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of controlled entities are consistent with those policies applied by the parent entity.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

r) Going concern

The consolidated financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business. The Group's current liabilities exceed the current assets by \$1,385,543 as at 30 June 2023 (2022: \$258,072) and it has earned an operating profit after tax of \$498,157 (2022: \$981,659). The deficiency is due to the classification of the \$1,326,833 commercial loan, which is due to expire on 4 January 2024, as a current liability. The Group is currently in negotiations with Bendigo Bank to renew the loan.

The directors are of the opinion that there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due. Accordingly, the directors are confident of the Group's ability to continue as a going concern.

s) Critical accounting estimates and judgements

The Council make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below:

i Key estimates – impairment of property, plant, and equipment

The association assesses impairment at the end of each reporting period by evaluating conditions specific to the association that may be indicative of impairment triggers. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate several key estimates and assumptions.

ii Key estimates – employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

The Association presents as a liability the gross amounts due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses).

iii Key estimates - useful lives of assets

The association determines the estimated useful lives and related depreciation charges for its property, plant, and equipment. The useful lives would change significantly as a result of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 2 - SALES REVENUE

	Consolidated	
	2023 \$	2022 \$
Sales revenue		
Revenue from membership fees	4,395,838	4,094,433
Insurance commissions	568,716	512,745
Training	262,140	267,830
Apprentice connect	13,177	18,473
Events	839,60	344,274
Project income	515,394	615,594
Agency fee - Master Electricians Association Limited	1,373,841	1,260,894
Total Sales Revenue	7,968,736	7,114,243

NOTE 3 - OTHER INCOME

	Consolidated	
	2023 \$	2022 \$
Other income		
Rental income	259,788	418,963
Grants received	114,363	110,904
Interest received	13,875	636
Sponsorship income	925,645	328,949
Sundry	46,316	529,418
Total Sales Revenue	1,359,987	1,388,870

NOTE 4 - REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditor of the parent entity and its controlled entities:

	Consolidated	
	2023 \$	2022 \$
Audit of financial statements (includes GST)	34,000	29,800
Prior year audit (over) / under accrual	6,508	6,350
	40,508	36,150

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 5 - CASH AND CASH EQUIVALENTS

	Consolidated	
	2023 \$	2022 \$
Current assets:	50	50
Cash on hand	655,336	2,079,489
Cash at bank	756,332	-
Cash management trust	1,411,718	2,079,539

NOTE 6 - TRADE AND OTHER RECEIVABLES

	Consolidated	
	2023 \$	2022 \$
a. Current:		
Trade receivables	413,135	398,293
Provision for expected credit losses	(35,461)	(31,124)
	377,674	367,169
Prepayments	648,781	535,145
Other receivables	73,218	47,615
	1,099,673	949,929
	1,099,673	949,929

NOTE 7 - FINANCIAL ASSETS

	Consolidated	
	2023 \$	2022 \$
Financial assets at fair value		
Australian equities	148,121	-
International equities	70,945	-
Subordinated notes	329,848	-
Capital notes	59,804	-
	608,718	-

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 8 - PROPERTY, PLANT AND EQUIPMENT

	Consolidated	
	2023 \$	2022 \$
LAND AND BUILDINGS		
Freehold land at independent valuation (level 2)	5,800,000	5,800,000
Total freehold land	5,800,000	5,800,000
Buildings at independent valuation (level 2)	3,100,000	3,100,000
Less accumulated depreciation	(155,212)	(77,712)
Total buildings	2,944,788	3,022,288
TOTAL LAND AND BUILDINGS	8,744,788	8,822,288
PLANT AND EQUIPMENT		
Furniture, fixtures and fittings at cost	1,147,202	505,068
Less accumulated depreciation	(117,384)	(431,225)
Total furniture, fixtures and fittings	1,029,818	73,843
Computer equipment at cost	238,980	173,746
Less accumulated depreciation	(121,738)	(100,116)
Total computer equipment	117,242	73,630
Office equipment at cost	9,645	18,213
Less accumulated depreciation	(8,873)	(17,249)
Total office equipment	772	964
Motor vehicles at cost	321,847	273,905
Less accumulated depreciation	(167,515)	(142,178)
Total motor vehicles	154,332	131,727
Plant & equipment at cost	138,763	135,842
Less accumulated depreciation	(21,400)	(11,966)
Total plant & equipment	117,363	123,876
TOTAL PLANT & EQUIPMENT	1,419,527	404,040
TOTAL PROPERTY, PLANT & EQUIPMENT	10,164,315	9,226,328

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

	Land	Buildings	Furniture, Fixtures & Fittings	Computer Equipment	Office Equipment	Motor Vehicles	Plant & Equipment	Total
	\$	\$	\$	\$	\$	\$	\$	\$
CONSOLIDATED 2022								
Balance at beginning of year	5,800,000	3,099,788	74,731	70,517	505	88,635	100,558	9,234,734
Additions	-	-	30,418	37,580	545	63,213	29,192	160,949
Disposals	-	-	-	(36,452)	-	(39,288)	-	(75,740)
Accumulated depreciation on disposals	-	-	-	36,452	-	39,288	-	75,740
Depreciation expense	-	(77,500)	(31,306)	(34,467)	(86)	(20,122)	(5,874)	(169,355)
Revaluation	-	-	-	-	-	-	-	-
CARRYING AMOUNT AT END OF YEAR	5,800,000	3,022,288	73,843	73,630	964	131,727	123,876	9,226,328

	Land	Buildings	Furniture, Fixtures & Fittings	Computer Equipment	Office Equipment	Motor Vehicles	Plant & Equipment	Total
	\$	\$	\$	\$	\$	\$	\$	\$
CONSOLIDATED 2023								
Balance at beginning of year	5,800,000	3,022,288	73,843	73,630	964	131,727	123,876	9,226,328
Additions	-	-	1,040,325	98,151	-	47,942	2,920	1,189,338
Disposals	-	-	(16,524)	-	-	-	-	(16,524)
Accumulated depreciation on disposals	-	-	16,524	-	-	-	-	16,524
Depreciation expense	-	(77,500)	(84,350)	(54,539)	(192)	(25,337)	(9,433)	(251,351)
Revaluation	-	-	-	-	-	-	-	-
CARRYING AMOUNT AT END OF YEAR	5,800,000	2,944,788	1,029,818	117,242	772	154,332	117,363	10,164,315

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 9 - INTANGIBLES

	Consolidated	
	2023	2022
	\$	\$
Computer software at cost	600,090	540,590
Less accumulated depreciation	(319,878)	(212,451)
Capital works in progress	3,802	57,706
Brands and trademarks	950,000	950,000
TOTAL INTANGIBLES	1,234,014	1,335,845

MOVEMENTS IN CARRYING AMOUNTS

Balance at the beginning of year	1,335,844	1,139,694
Additions	59,500	261,021
Disposals	(53,904)	-
Less accumulated depreciation on disposals	-	-
Depreciation expense (Computer Software)	(107,426)	(64,870)
CARRYING AMOUNT AT END OF YEAR	1,234,014	1,335,845

NOTE 10 - TRADE AND OTHER PAYABLES

	Consolidated	
	2023	2022
	\$	\$
a. Current:		
Trade payables	135,493	366,108
Amounts received in advance	1,990,809	1,770,547
Other payables	456,136	282,263
	2,582,438	2,418,918
b. Non-current		
Other payables	4,950	81,116
	4,950	81,116
	2,587,388	2,500,034

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 11 – FINANCIAL LIABILITIES

	Consolidated	
	2023	2022
	\$	\$
a. Current:		
Commercial loan current	1,326,833	273,609
	1,326,833	273,609
b. Non-current		
Commercial loan non-current	-	728,545
	-	728,545
	1,326,833	1,002,154

The commercial loans are secured by an unlimited Guarantee and Indemnity from Master Electricians Association Limited, a first registered mortgage over all land and buildings owned by the parent entity, and a General Security Deed over all property granted by Master Electricians Association Queensland Industrial Organisation of Employers. The interest rate on 30 June 2023 was 6.78%, the facility is for \$5,000,000 and has a term of 60 months. The loan was funded 4 January 2019, the finalisation date for the facility is 4 January 2024.

NOTE 12 – CONTROLLED ENTITIES

Name	Country of Incorporation	2023		2022	
		% Owned	\$	% Owned	\$
Master Electricians Australia Limited *	Australia	100	-	100	-
Energy Management Institute Limited **	Australia	100	1	100	1

* Controlled by virtue of common management and as a sole member of the company limited by guarantee.

** Controlled by being a sole shareholder of the company.

(a) Balances in controlled entities

Name of Directly Controlled Entity	Total Assets		Total Liabilities		Total Revenue		Operating Result	
	2023	2022	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$
Master Electricians Australia Limited	-	-	543,170	543,170	-	-	-	-
Energy Management Institute Limited	-	-	377	377	-	-	-	-

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

(b) Transactions with controlled entities

	Consolidated		Parent	
	2023	2022	2023	2022
	\$	\$	\$	\$

Transactions with controlled entities:

- Intercompany loans

Master Electricians Australia Limited	-	-	-	-
Energy Management Institute Limited	-	-	-	-
	-	-	-	-

NOTE 13 - RELATED PARTY TRANSACTIONS

A Commercial Agreement exists between the Parent and Master Electricians Association Limited (MEAssnL).

The Parent invoices and receives membership fees on behalf of the MEAssnL. Revenue received on behalf of MEAssnL is transferred in full to that entity.

Under the Commercial Agreement, in return for the services provided by the Parent, MEAssnL pays the parent 99% of the total Membership Fee revenue received.

	Consolidated	
	2023	2022
	\$	\$
Membership fees invoiced on behalf of MEAssnL	1,387,719	1,273,630
Membership fees transferred to MEAssnL	(1,387,719)	(1,273,630)
MEAssnL Membership Fees retained by Parent	-	-
Agency Fee paid to the Parent by MEAssnL per the Commercial Agreement	1,387,841	1,260,894
Agency Fee as a percentage of Membership Fee Revenue received by MEAssnL	99%	99%

NOTE 14 - ASSOCIATION DETAILS

The registered office of the Association is:

Master Electricians Association Queensland Industrial Organisation of Employers

57 Berwick Street
Fortitude Valley QLD 4006

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 15 - FINANCIAL INSTRUMENTS

(a) Financial Risk Management

The Association's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, bills and leases.

The main purpose of non-derivative financial instruments is to raise finance for operations.

Treasury Risk Management

The Management Committee meets on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

Financial Risks

The main risks the Association is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest Rate Risk

Interest rate risk is managed with a mixture of fixed and floating rate debt. At 30 June 2023, approximately 99% of the Association's debt is variable.

Foreign Exchange Risk

The Association has no exposure to foreign exchange risk.

Liquidity Risk

The Association manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit Risk

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

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

Price Risk

The Association is exposed to commodity price risk through its investment portfolio.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 15 - FINANCIAL INSTRUMENTS (continued)

b) Interest Rate Risk

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

	Weight Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing			
	2023 %	2022 %	2023 \$	2022 \$	Within 1 Year		1 to 5 years	
					2023 \$	2022 \$	2023 \$	2022 \$
CONSOLIDATED								
FINANCIAL ASSETS								
Cash on hand			50	50	-	-	-	-
Cash at bank	1.24%	0.07%	655,336	2,079,489	-	-	-	-
Cash management trust	2.93%	-	756,332	-	-	-	-	-
TOTAL FINANCIAL ASSETS			1,411,718	2,079,539	-	-	-	-
FINANCIAL LIABILITIES								
Commercial loan	5.79%	2.98%	1,326,833	1,002,154	-	-	-	-
TOTAL FINANCIAL LIABILITIES			1,326,833	1,002,154	-	-	-	-

c) Net Fair Values

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value through profit or loss on a recurring basis at

30 June 2023	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS				
Listed Securities	219,066	-	-	219,066
Other short-term financial assets	389,652	-	-	389,652
TOTAL FINANCIAL ASSETS	608,718	-	-	608,718

30 June 2022	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS				
Listed Securities	-	-	-	-
Other short-term financial assets	-	-	-	-
TOTAL FINANCIAL ASSETS	-	-	-	-

There were no transfers between Level 1 and Level 2 during the 12-month period to 30 June 2023.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 16 - KEY MANAGEMENT PERSONNEL DISCLOSURES

	Consolidated	
	2023 \$	2022 \$
Short Term Employee Benefits	958,767	925,375
Post-Employment Benefits	115,071	98,778
Other Long-Term Benefits	11,936	36,799
Termination Benefits	108,667	-
Total Payments	1,194,441	1,060,952

Certificate by Accounting Officer of Union

I, Melanie Woodward, hereby certify:

- i As the Chief Financial Officer, I am the person responsible for keeping the accounting and other records of the Master Electricians Association Queensland Industrial Organisation of Employers for the year ended 30 June 2023;
- ii The number of financial members at the end of the financial year was 2,194;
- iii The number of non-financial members at the end of the financial year was 118;
- iv In respect of the financial year, in my opinion:
 - a) The accounts show a true and fair view of the organisation's financial affairs at the end of the financial year;
 - b) A record was kept of all amounts paid by, or collected from, the organisation's members;
 - c) All amounts so paid or collected have been credited to a financial institution account to which the amounts must be credited under the organisation's rules;
 - d) Each expenditure item by the organisation, was approved under the organisation's rules before it was incurred;
 - e) No payment was made for a special account of the organisation's other than the purpose for which the fund was operated, and all payments were approved in accordance with the rules of the organisation;
 - f) No loans or other financial benefits were granted to persons holding office/or employees of the organisation; and
 - g) The register of members of the Industrial Organisation is maintained in accordance with the Industrial Relations Act 2016.



Chief Financial Officer

Dated this 29th day of August 2023

Fortitude Valley, Brisbane, Queensland

Certificate by Treasurer

I, Brooke MacGregor, being the Treasurer of the Master Electrician's Association Queensland Industrial Organisation of Employers, state that in my opinion:

- i The attached Statement of Profit or Loss and Statement of Comprehensive Income shows a true and fair view of the transactions of the Association for the financial period ended 30 June 2023 and the attached Statement of Financial Position gives a true and fair view of the financial position of the Association as at that date;
- ii A record has been kept of all monies paid by, or collected from members of the Association, and all monies so paid or collected have been credited to the Bank Account to which those monies are to be credited, in accordance with the rules of the Association;
- iii Before any expenditure was incurred by the Association, approval of the incurring of the expenditure was obtained in accordance with the rules of the Association;
- iv No loans or other financial benefits have been granted to persons holding office in the Association; and
- v The register of members of the Industrial Organisation is maintained in accordance with the Industrial Relations Act 2016.

Members are advised that in accordance with section 785(8)(b) of the Industrial Relations Act 2016, members may apply for additional information as prescribed by Regulation 46 and 47 of the Industrial Relations Regulations.



Treasurer

Dated this 29th day of August 2023

Fortitude Valley, Brisbane, Queensland

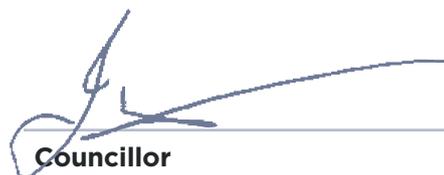
Certificate by Members of Council

In accordance with a resolution of the Council of the Master Electricians Association Queensland Industrial Organisation, we state that:

In the opinion of the Council:

- i The attached accounts give a true and fair view of the financial affairs of the Industrial Organisation as at 30 June 2023;
- ii The attached accounts were prepared in accordance with the Industrial Relations Act 2016;
- iii The organisation was solvent during the whole period;
- iv During the period, meetings of the Council were held in accordance with the rules of the Industrial Organisation;
- v During the period, there have been no instances where any of the Organisation's records or rules, or copies of them, have not been given to the Organisation's Members under the Industrial Relations Act 2016, Regulations or Rules, or made available in accordance with the Act; and
- vi The audit report and relevant accounts for the organisation's financial period ended 30 June 2022 have been:
 - a) Presented to a Council's meeting on 29 August 2023 under section 782 of the Industrial Relations Act 2016
 - b) Given to its members under section 784(c) of the Industrial Relations Act 2016.

On behalf of the Council.



Councillor

Dated this 29th day of August 2023
Fortitude Valley, Brisbane,
Queensland



Councillor

Dated this 29th day of August 2023
Fortitude Valley, Brisbane,
Queensland

Certificate by President

I, John Horan, being the President of the Master Electricians Association Queensland Industrial Organisation of Employers, hereby certify that the documents lodged herewith are copies of the documents presented to and endorsed by the management Council of Master Electricians Association Queensland Industrial Organisation of Employers on 29 August 2023, and that a copy will be provided to the members in accordance with the provisions of the Act.



President

Dated this 29th day of August 2023

Fortitude Valley, Brisbane,
Queensland

Operating Report by Management Committee

Principle activities of the Industrial Organisation for the financial year ended 30 June 2023 include:

	Item	2023 \$	2022 \$
(i) Members – Provision of Membership Services	Members Services	2,364	2,298
Membership services include:			
Workplace Relations & Technical Hotlines	Usage	Members have unlimited usage	
Safety System and Support	Subscribers serviced	709	696
Training	Revenue from Training courses provided	262,140	267,830
(ii) Solar Auditing	Audits conducted	103	150

Rights of Members to Resign

Clause 7(1) of the Constitution contains the following provision:

Any Member intending to withdraw from the Association must give written notice of their intention to the Chief Executive Officer. All subscriptions (including, in the case of monthly payments of the annual subscription fee, the balance of the annual subscription not yet paid at the date of notice), levies and fines of any description and other moneys owing and outstanding by a Member which are due at date of notice, must be paid by the Member, and may be sued for and recovered as a debt due and payable by the Association. No Member shall be relieved of liability for any of the acts of the Association prior to their giving notice of withdrawal from membership. The Council may waive any or all of the provisions or requirements of this Rule 7(1) at their discretion.

Officer who is a Trustee or Director of a Superannuation Entity

OFFICER	POSITION ON COUNCIL	SUPERANNUATION ENTITY	POSITION ON BOARD OF SUPERANNUATION ENTITY
Nil			

Operating Report by Management Committee (continued)

Remuneration Register

OFFICER	REMUNERATION	NON-CASH BENEFIT	VALUE \$	PAYMENTS IN CAPACITY OF BOARD MEMBER
John Horan	1,000	Flights, meals and accommodation for Council Meetings	10,954	Nil
Brook Macgregor	Nil	-	-	Nil
Tony Arnold	Nil	-	-	Nil
Owen Blamires	1,000	Flights, meals and accommodation for Council Meetings	939	Nil
Sarah Loveday	Nil	-	-	Nil
Peter Matthews	1,000	Flights, meals and accommodation for Council Meetings	876	Nil
Leo Ward	Nil	Flights, meals and accommodation for Council Meetings	2,252	Nil
Michael Saunders	1,000	Flights, meals and accommodation for Council Meetings	1,747	Nil
Ben Haines	Nil	-	-	Nil
Seth Atkinson	Nil	-	-	Nil

Loans Register Nil
Grants Register Nil

Donations Register

RECIPIENT	ADDRESS	DATE	AMOUNT \$	REASON
MEA Power Up Limited	57 Berwick Street, Fortitude Valley QLD 4006	12/7/2022	2,020	Industry specific charity
Box Rallies Pty Ltd	P O Box 10308 Adelaide BC SA 5000	31/1/2023	500	Fundraiser for Cancer Council
Liberal Party of Australia	P O Box 49 West Perth WA 6005	3/5/2023	1,000	General Donation - Brisbane Lunch with Peter Constantini
Liberal Party of Australia	Level 1 677-683 Ruthven St South Toowoomba QLD 4350	22/5/2023	900	Dinner with Shadow Treasurer
MEA Power Up Limited	57 Berwick Street, Fortitude Valley QLD 4006	29/6/2023	600	Industry Specific Charity
MEA Power Up Limited	57 Berwick Street, Fortitude Valley QLD 4006	30/06/2023	1,000	Industry specific charity
TOTAL			6,020	

Other Information

The Industrial Organisation has prepared the accounts in line with changes in significant accounting policies.

On behalf of the Council.



John Horan
Councillor

Dated this 29th day of August 2022
Fortitude Valley, Brisbane, Queensland



Brook MacGregor
Councillor

Dated this 29th day of August 2022
Fortitude Valley, Brisbane, Queensland

Committee of Management Statement

In accordance with a resolution of the Council of the Master Electricians Association Queensland Industrial Organisation of Employers, we state that:

In the opinion of the Council:

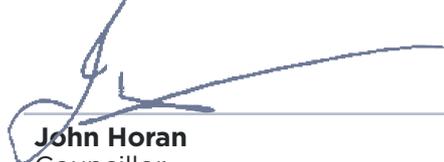
- i The attached financial statements and notes comply with the Australian Accounting Standards;
- ii The attached financial statements and notes comply with the reporting guidelines of the Registrar;
- iii The attached financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Industrial Organisation as at 30 June 2023;
- iv There are reasonable grounds to believe that the Industrial Organisation will be able to pay its debts as and when they become due and payable;
- v During the financial year to which the attached financial statements and notes relate and since 30 June 2023:
 - a) Meetings of the Committee of Management were held in accordance with the rules of the Industrial Organisation including the rules of a branch concerned; and
 - b) The financial affairs of the Industrial Organisation have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - c) The financial records of the Industrial Organisation have been kept and maintained in accordance with the Act; and
 - d) Where information has been sought in any request by a member of the Industrial Organisation or Registrar duly made under s787 of the Act, that information has been provided to the member or Registrar; and
 - e) Where any order for inspection of financial records has been made by the QIRC under s788 of the Act, there has been compliance.
- vi The Industrial Organisation has complied with the requirements under section 741 of the Act, Financial Management Training, and confirms:

OFFICER'S NAME	ROLE	MOST RECENT TRAINING	NAME OF TRAINING
John Horan	President	22-Apr-2020	Financial Training for Management Committee Members of Registered Industrial Organisations
Brooke MacGregor	Treasurer	22-Apr-2020	Financial Training for Management Committee Members of Registered Industrial Organisations
Tony Arnold	Immediate Past President	22-Apr-2020	Financial Training for Management Committee Members of Registered Industrial Organisations
Peter Matthews	Councillor	22-Apr-2020	Financial Training for Management Committee Members of Registered Industrial Organisations
Sarah Loveday	Councillor	22-Apr-2020	Financial Training for Management Committee Members of Registered Industrial Organisations
Leo Ward	Councillor	22-Apr-2020	Financial Training for Management Committee Members of Registered Industrial Organisations
Owen Blaimes	Councillor	22-Apr-2020	Financial Training for Management Committee Members of Registered Industrial Organisations

Committee of Management Statement (continued)

This Statement is made in accordance with the resolution passed by the Committee of Management of the Industrial Organisation on 29 August 2023 in relation to the matters requiring declaration.

On behalf of the Council.



John Horan
Councillor

Dated this 29th day of August 2023

Fortitude Valley, Brisbane, Queensland



Brook MacGregor
Councillor

Dated this 29th day of August 2023

Fortitude Valley, Brisbane, Queensland



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Independent Auditor's Report

To the Members of Members of Master Electricians Association Queensland Industrial Organisation of Employers and its controlled entities

Opinion

We have audited the financial report of Master Electricians Association Queensland Industrial Organisation of Employers (the Association) and its controlled entities (the Group), which comprises the statement of financial position as at 30 June 2023, the statement of profit and loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report of the Group is in accordance with the followings:

- (a) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended.
- (b) Complying with Tier 1 reporting requirements of the Australian Accounting Standards and the *Industrial Relations Act 2016*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

The members are responsible for the other information. The other information comprises the information contained in the Group's members' certificates for the year ended 30 June 2023 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Some of the Crowe personnel involved in preparing this document may be members of a professional scheme approved under Professional Standards Legislation such that their occupational liability is limited under that Legislation. To the extent that applies, the following disclaimer applies to them. If you have any questions about the applicability of Professional Standards Legislation to Crowe's personnel involved in preparing this document, please speak to your Crowe adviser.

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Responsibilities of the Members for the Financial Report

The members of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and for such internal control as the members determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the members are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are 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 our 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the group financial report. The auditor is responsible for the direction, supervision and performance of the group audit. The auditor remains solely responsible for the audit opinion.

Independent Auditor's Report



We communicate with the members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

Crowe Audit Australia
Crowe Audit Australia

Wicus Wessels
Wicus Wessels

Partner

Date: *21/8/23.*

Brisbane



**MASTER
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AUSTRALIA**

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