



MASTER
ELECTRICIANS
AUSTRALIA

FOR THE YEAR ENDED 30 JUNE 2021

ANNUAL REPORT

Master Electricians Association Limited ACN 163 222 642
Master Electricians Association Queensland ABN 40 669 256 171

This page is intentionally left blank

CONTENTS

President's Report	2
CEO's Report.....	3
MASTER ELECTRICIANS ASSOCIATION LIMITED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021.....	1
Director's Report.....	2
Auditor's Independence Declaration.....	6
Statement of Comprehensive Income	7
Statement of Financial Position.....	8
Statement of Changes in Equity.....	9
Statement of Cash Flows.....	10
Notes to the Financial Statements	11
Director's Declaration	16
Independent Auditor's Report to the Members of Master Electricians Association Limited	17
MASTER ELECTRICIANS ASSOCIATION QUEENSLAND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021.....	1
Consolidated Statements of Profit or Loss	2
Consolidated Statements of Comprehensive Income	3
Consolidated Statements of Financial Position	4
Consolidated Statements of Changes in Equity.....	5
Consolidated Statements of Cash Flows	6
Notes to the Consolidated Financial Statements.....	7
Certificate by Accounting Officer of Union.....	26
Certificate by Treasurer.....	27
Certificate by Members of Council.....	28
Certificate by President	29
Operating Report by Management Committee	30
Committee of Management Statement	33
Independent Auditor's report to the members of Master Electricians Association Queensland Industrial Organisation of Employers and Controlled Entities.....	35

PRESIDENT'S REPORT

If you had asked me two years ago, when I became President of MEA, what business challenges do I foresee; navigating a 17-month long pandemic with border closures and communities locked down, would not have rolled off my tongue. Nor could we ever have envisaged a society that may now require a COVID passport to dine at a local restaurant or access a work site.

Whilst the last financial year has been tough, what has shone through is the resilience of our members and the broader industry. Those who have prospered have taken the time to review their business strategy, look at diversification opportunities, drilled into their costs, identified their profitable business segments, and tested different financial scenarios.

As a member owned association, we also went through this same exercise. The Board reviewed the strategic plan and worked with the MEA management team to identify opportunities and implement cost saving measures without devaluing any services. Our members were placed at the centre of all decision making, meeting member needs remained the priority.

Thanks to this work, your association is well placed for the future. We are in a good capital position, allowing us to further paydown our building loan and invest in upgrading our digital safety assets.

If we continue this trajectory, the building will be wholly owned by the association in the coming years and returning a profit, providing an income stream to deliver more value to members.

In the last Industry Benchmark survey members told us safety was the most important business challenge for the coming 12 months. With this knowledge, the MEA Council approved a significant investment into upgrading the ME Safety offering. This investment will allow MEA to continue to deliver the safety resources you need, providing easy access when and where you need so you can run a safe and compliant business. The work is currently in progress with Phase 1 to be rolled out in late 2021.

Our focus over the coming 12 months will be to continue with the roll out of our strategic plan and key initiatives. This includes the evolution of the Industry Recognition program, allowing members to access the Master Electrician brand halo. There is enormous equity in being recognised as a Bronze, Silver or Gold Master Electrician. You leverage this equity when you display the relevant logo alongside your business name.

The MEA Master Program will continue to evolve, providing fundamental training to run a safe, profitable and sustainable business.

I wish all our members the very best for the remainder of 2021.



John Horan
President



CEO'S REPORT

There is no hiding from it, FY20/21 has been a challenging year, not only our members but also your association. As COVID started to bite, we followed the advice we provided to members; reviewed our strategy, identified opportunities, placed the magnifying glass on our costs and investigated our eligibility for stimulus packages.

As John indicated, this work has positioned us well for both the short-term delivery of high value services and long-term financial stability.

Our commitment to understanding the needs of the small/medium electrical contractor has allowed us to focus on providing what you need, when you need it. Whether it's how to stand down staff, stay compliant with the Fair Work Act, understanding the Amendment 2 wiring rule changes or what changes to the Safety Act mean for your business, we've been able to be on the front foot delivering this information.

COVID lockdown rules lifted long enough for me to hold industry briefing sessions in QLD, SA and WA. In areas I couldn't get to we ran webinars and leveraged social media channels to keep you informed.

We seized opportunities securing a government grant to fund a co-hort of new members to undertake the Master Program. We obtained Job Keeper for our staff, ensuring no loss of the specialist skills required to deliver the services you need.

We developed several new business tools; working with our Victorian members to develop a comprehensive digital report template, providing access to this tool allows contractors to be both efficient and compliant with the new VIC Tenancy Regulations. Plus a charge out rate calculator to assist in calculating your business costs and in turn what you need to charge to achieve your desired profit margin. And finally, a significant upgrade of our ME Safety System is underway.

We kept our focus on providing trusted advice. Over the past 12 months our Technical, Safety and Workplace Advice team answered 17,086 calls; members asking for advice and guidance over the phone. That's in addition to the hundreds of downloads of our guidance notes, COVID industry code of practice and webinars.

And we are committed to delivering you savings negotiating with Mazda, Volkswagen and Mercedes-Benz to provide fleet offers. In addition, Enphase Energy and Milwaukee Tools joined as partners to share their knowledge and allow members direct access to their team.

Our advocacy activity, on behalf of members has seen MEA engaging with all State Governments regarding COVID lockdown provisions and stimulus support. We have worked hard on national issues such as Automatic Mutual Recognition and Continuing Professional Development. Leading the debate on significant new technologies such as Distributed Energy Resources and Electric Vehicles and resolving numerous state based issues.

And finally, I am pleased to advise whilst many membership associations have seen a decline, MEA's national membership grew by 16% last year. Much of this growth occurred outside of Queensland. MEA is truly one national association.



**Malcolm
Richards**
CEO





FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

MASTER ELECTRICIANS ASSOCIATION LIMITED
ACN 163 222 642

CONTENTS

MASTER ELECTRICIANS ASSOCIATION LIMITED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021.....	1
Director's Report.....	2
Auditor's Independence Declaration.....	6
Statement of Comprehensive Income.....	7
Statement of Financial Position.....	8
Statement of Changes in Equity.....	9
Statement of Cash Flows.....	10
Notes to the Financial Statements.....	11
Director's Declaration	16
Independent Auditor's Report to the Members of Master Electricians Association Limited	17

DIRECTOR'S REPORT

For the year ended 30 June 2021

The directors present their report on the company for the financial year ended 30 June 2021.

Directors

The names of the directors in office at any time during or since the end of the year are:

John Horan	Ray Sherriff	
Richard Flanagan	Anthony Arnold	(Resigned 11/2020)
Troy Smith	Stephanie Gee	(Appointed 11/2020)
James Johnson	Alex Foster	(Appointed 11/2020)
Erik Scholz	Tamantha Stanton	(Appointed 11/2020)
Rowan Diamond		

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 2021 and report that the operations have been consistent with the 2021 operating budget.

The result from operations was a profit after tax for the year ended 30 June 2021 of \$10,894 (2020: profit after tax of \$8,275).

No significant changes in the company's state of affairs occurred during the financial year.

Dividends Paid or Recommended

No dividends have been paid or declared since the start of the financial year (2020: \$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 CONT'D

Information on Directors

Anthony Arnold

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

John Horan

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

Richard Flanagan

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

Troy Smith

- Licensed electrical contractor
- Self employed; 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

James Johnson

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

Ray Sherriff

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

Stephanie Gee

- Licensed electrical contractor
- Director Master Electricians Australia Limited

Alex Foster

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

Tamantha Stanton

- Licensed electrical contractor
- Self employed; Treasurer 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 CONT'D

Key Management Personnel Remuneration Policy

The Company's policy for determining the nature and amount of remuneration of key management is as follows:

The remuneration structure for key management personnel is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company. The contracts for service between the Company and key management personnel are on a continuing basis, the terms of which are not expected to change in the immediate future.

Meetings of Directors

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

Name	Number of meetings held while a Director	Number of meetings attended
Anthony Arnold	2	2
John Horan	6	4
Richard Flanagan	6	3
Troy Smith	6	6
Erik Scholz	6	4
Rowan Diamond	6	6
James Johnson	6	6
Ray Sherriff	6	6
Stephanie Gee	5	3
Alex Foster	5	5
Tamantha Stanton	4	4

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 Auditor

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 CONT'D

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 the 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.

Significant Event: COVID-19

Commencing March 2020, the economic environment in which the company operates has been impacted by the restrictions imposed by COVID-19, and the introduction of Federal and State Government initiatives introduced to ease the burden on business. Over the last half of the financial year, the company also introduced increased membership options to better accommodate the needs of contractors.

The COVID-19 financial effect experienced by the company cannot be accurately quantified. The company believes that the impact of COVID-19 was minimal, with an end of year result favourable against budget.

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 4 and forms part of the Directors' Report.

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



John Horan

Director

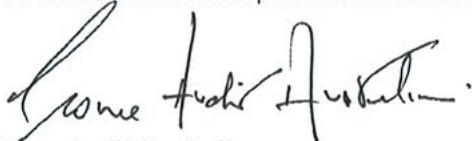
Signed at Townsville 14th September 2021

Auditor's Independence Declaration

As auditor of Master Electricians Association Limited for the year ended 30 June 2021, 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



Mike McDonald OAM
Partner

14 September 2021
Brisbane

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 the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately-owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Audit Australia, an affiliate of Findex (Aust) Pty Ltd.

© 2021 Findex (Aust) Pty Ltd

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2021

	2021 \$	2020 \$
Revenue	1,089,350	827,504
Agency Fee - MEAQ	(1,078,456)	(819,229)
Profit before income tax	10,894	8,275
Income tax expense	-	-
Profit after income tax	10,894	8,275
Other comprehensive income for the year	-	-
TOTAL COMPREHENSIVE PROFIT FOR THE YEAR ATTRIBUTABLE TO MEMBERS	10,894	8,275

Notes to the financial statements are attached.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	NOTE	2021 \$	2020 \$
CURRENT ASSETS			
Prepayments	3	176,528	139,364
Loans to related parties	3	65,412	54,031
TOTAL ASSETS		241,941	193,394
 CURRENT LIABILITIES			
Trade and other payables	2	178,424	140,772
TOTAL CURRENT LIABILITIES		178,424	140,772
 NET ASSETS		63,517	52,622
 EQUITY			
Retained earnings		63,517	52,623
 TOTAL EQUITY		63,517	52,623

Notes to the financial statements are attached.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2021

	Retained Earnings \$	Total \$
Balance at 1 July 2019	44,348	44,348
Total comprehensive income:		
Income for the year	8,275	8,275
Other comprehensive income	-	-
Total comprehensive profit for the year	8,275	8,275
Balance at 1 July 2020	52,623	52,623
Total comprehensive income:		
Income for the year	10,894	10,894
Other comprehensive income	-	-
Total comprehensive profit for the year	10,894	10,894
Transfers to reserves	-	-
Transfers to retained earnings	-	-
Balance at 30 June 2021	63,517	63,517

Notes to the financial statements are attached.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2021

	NOTE	2021 Inflows (Outflows) \$	2020 Inflows (Outflows) \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,127,002	837,401
Payments to suppliers and employees		(1,127,002)	(837,401)
NET CASH FROM OPERATING ACTIVITIES	4	-	-
CASH FLOWS FROM INVESTING ACTIVITIES		-	-
NET CASH USED IN INVESTING ACTIVITIES		-	-
CASH FLOWS FROM FINANCING ACTIVITIES		-	-
NET CASH FROM/(USED IN) FINANCING ACTIVITIES		-	-
Net increase/(decrease) in cash and cash equivalents held		-	-
Cash and cash equivalents at the beginning of the year		-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		-	-

Notes to the financial statements are attached.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

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 the 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 14/09/2021.

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 - Reduced 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 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 judgments made assume a reasonable expectation of future events but actual results may differ from these estimates.

- *Key Estimates — Impairment*

The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

The financial report has been prepared on an accruals 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 CONT'D

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.

A member joins the Company for a 12 month period, having the option to pay the full membership fee upon joining, or to make 12 equal monthly payments across the membership year. There is no discount for members who choose to pay their fees in advance, and there is no penalty for members choosing to pay their fees monthly. Members complete a membership application and accept the Terms and Conditions of the organisation.

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. The Board determined that an increase of 3% should be applied in the 2020/21 financial year. 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 CONT'D

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 CONT'D

NOTE 2 - TRADE AND OTHER PAYABLES

	2021 \$	2020 \$
Revenue received in advance	178,311	140,772
Other payables	113	-
	178,424	140,772

NOTE 3 - CURRENT ASSETS

	2021 \$	2020 \$
CURRENT		
Accounts Receivable: Other	-	-
Agency Fee: Prepayment	176,528	139,364
Loan to MEAQ	65,412	54,031
	241,941	193,394

NOTE 4 - CASH FLOW INFORMATION

	2021 \$	2020 \$
Reconciliation of net cash from operating activities to profit/(loss) after income tax		
Net profit/(loss) after income tax	10,894	8,276
Adjustment for changes in assets and liabilities		
(Increase)/decrease in prepayments	(37,051)	(10,456)
(Increase)/decrease in loans to related parties	(11,382)	(8,134)
Increase/(decrease) in payables	37,539	10,315
Net cash from operating activities	-	-

NOTE 5 - 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 \$4,564,702 as at 30 June 2021 (2020 - \$4,815,069). No material liability is expected to arise from this guarantee.

NOTES TO THE FINANCIAL STATEMENT CONT'D

NOTE 6- 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	
	2021 \$	2020 \$
Membership fees invoiced by MEAQ and transferred to the Company	1,089,350	827,504
Agency fee paid by the Company to MEAQ	(1,078,456)	(819,229)
Profit retained by the Company	10,894	8,275
Agency fee as a percentage of Membership Fee Revenue received	99%	99%

NOTE 7 - EVENTS AFTER THE BALANCE DATE

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

NOTE 8 - 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 2021, the total amount that members of the company are liable to contribute if the company is wound up is \$8,810 (2020 - \$6,900).

NOTE 9 - COMPANY DETAILS

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

Master Electricians Association Limited

57 Berwick Street
Fortitude Valley 4006
Queensland

DIRECTOR'S DECLARATION

For the year ended 30 June 2021

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 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 2021 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 Directors of Master Electricians Association Limited.



John Horan
Director

Signed at Townsville 14th September 2021

Independent Auditor's Report

To the Members of Master Electricians Association Limited

Opinion

We have audited the financial report of Master Electricians Association Ltd (the Company), which comprises the statement of financial position as at 30 June 2021, 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, and the directors' declaration.

In our opinion, the accompanying financial report of Master Electricians Association Ltd 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 2021 and of its financial performance for the year then ended.
- (b) Complying with Australian Accounting Standards – Reduced Disclosure Requirements report 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 Directors' Report for the year ended 30 June 2021 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.

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 the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately-owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Audit Australia, an affiliate of Findex (Aust) Pty Ltd.

© 2021 Findex (Aust) Pty Ltd

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 – Reduce Disclosure Requirements 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

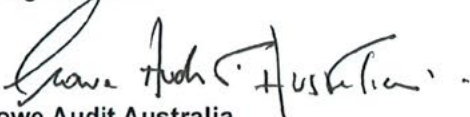
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that 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.

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



Mike McDonald OAM

Partner

14 September 2021

Brisbane



CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

MASTER ELECTRICIANS ASSOCIATION QUEENSLAND
INDUSTRIAL ORGANISATION OF EMPLOYERS

INCORPORATED UNDER THE INDUSTRIAL RELATIONS
ACT 2016 ABN 40 669 256 171

CONTENTS

MASTER ELECTRICIANS ASSOCIATION QUEENSLAND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021	1
Consolidated Statements of Profit or Loss	2
Consolidated Statements of Comprehensive Income	3
Consolidated Statements of Financial Position	4
Consolidated Statements of Changes in Equity	5
Consolidated Statements of Cash Flows	6
Notes to the Consolidated Financial Statements.....	7
Certificate by Accounting Officer of Union.....	26
Certificate by Treasurer.....	27
Certificate by Members of Council.....	28
Certificate by President	29
Operating Report by Management Committee	30
Committee of Management Statement	33
Independent Auditor's report to the members of Master Electricians Association Queensland Industrial Organisation of Employers and Controlled Entities.....	35

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

For the year ended 30 June 2021

		Consolidated		Parent	
	Note	2021 \$	2020 \$	2021 \$	2020 \$
Sales revenue	2	2,589,087	2,859,210	2,589,087	2,859,210
Cost of sales		(826,422)	(1,497,410)	(826,422)	(1,497,410)
Gross Profit		1,762,665	1,361,799	1,762,665	1,361,799
Other income	3	5,022,335	4,941,866	5,022,335	4,941,866
Employee costs		(3,945,331)	(3,559,519)	(3,945,331)	(3,559,519)
Depreciation and amortisation		(235,627)	(227,541)	(235,627)	(227,541)
Finance cost		(60,201)	(132,266)	(60,201)	(132,266)
Other expense		(1,320,628)	(1,723,809)	(1,320,628)	(1,723,809)
Operating Result		1,223,214	660,530	1,223,214	660,530
Impairment of loans to group companies		-	-	-	-
Income / (Loss) before income tax		1,223,214	660,530	1,223,214	660,530
Income tax		-	-	-	-
Gain on property revaluation		174,322	-	174,322	-
Income / (Loss) for the year after income tax		1,397,536	660,530	1,397,536	660,530

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 30 June 2021

	Consolidated		Parent	
	2021 \$	2020 \$	2021 \$	2020 \$
Income / (Loss) for the year	1,397,536	660,530	1,397,536	660,530
Other comprehensive income / (loss)	300,000	-	300,000	-
Total other comprehensive income / (loss) for the year	300,000	-	300,000	-
Total comprehensive income / (loss) for the year	1,697,536	660,530	1,697,536	660,530

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

For the year ended 30 June 2021

	Note	Consolidated		Parent	
		2021 \$	2020 \$	2021 \$	2020 \$
ASSETS					
Current assets					
Cash and cash equivalents	6	2,078,315	1,412,535	2,078,315	1,412,535
Other financial assets	6	-	-	-	-
Trade and other receivables	7.a	822,680	580,773	822,680	580,773
Total current assets		2,900,995	1,993,308	2,900,995	1,993,308
Non-current assets					
Property, plant and equipment	8	9,234,734	8,907,346	9,234,734	8,907,346
Intangibles	9	770,871	627,853	770,870	627,852
Investments	13	-	-	1	1
Total non-current assets		10,005,605	9,535,199	10,005,605	9,535,199
TOTAL ASSETS		12,906,600	11,528,507	12,906,600	11,528,507
LIABILITIES					
Current liabilities					
Trade and other payables	10	2,190,823	1,379,974	2,190,823	1,379,974
Financial liabilities	11.a	258,301	269,178	258,301	269,178
Provision for employee entitlements		494,075	425,966	494,075	425,966
Total current liabilities		2,943,199	2,075,118	2,943,199	2,075,118
Non-current liabilities					
Other Payables		68,401	57,020	68,401	57,020
Financial liabilities		1,506,401	2,744,967	1,506,401	2,744,967
Provision for employee entitlements		144,023	104,362	144,023	104,362
Total non-current liabilities		1,718,826	2,906,348	1,718,826	2,906,348
TOTAL LIABILITIES		4,662,025	4,981,466	4,662,025	4,981,466
NET ASSETS		8,244,576	6,547,041	8,244,576	6,547,041
EQUITY					
Reserves		4,669,429	4,369,429	4,669,429	4,369,429
Retained earnings / (Accumulated losses)		3,575,147	2,177,612	3,575,147	2,177,612
TOTAL EQUITY		8,244,576	6,547,041	8,244,576	6,547,041

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the year ended 30 June 2021

	Retained Earnings / (Accumulated Losses) \$	Asset Revaluation Reserve \$	Total \$
PARENT			
Balance at 1 July 2019	1,517,082	4,369,429	5,886,511
Income / (Loss) for the year	660,530	-	660,530
Other comprehensive income	-	-	-
Balance at 30 June 2020	2,177,613	4,369,429	6,547,041
Balance at 1 July 2020	2,177,613	4,369,429	6,547,041
Income / (Loss) for the year	1,397,536	-	1,397,536
Other comprehensive income	-	300,000	300,000
Balance at 30 June 2021	3,575,149	4,669,429	8,244,576
CONSOLIDATED			
Balance at 1 July 2019	1,517,082	4,369,429	5,886,511
Income / (Loss) for the year	660,530	-	660,530
Other comprehensive income	-	-	-
Balance at 30 June 2020	2,177,612	4,369,429	6,547,041
Balance at 1 July 2020	2,177,612	4,369,429	6,547,041
Income / (Loss) for the year	1,397,536	-	1,397,536
Other comprehensive income	-	300,000	300,000
Balance at 30 June 2021	3,575,148	4,669,429	8,244,576

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the year ended 30 June 2021

	Note	Consolidated		Parent	
		2021 \$	2020 \$	2021 \$	2020 \$
CASH FROM OPERATING ACTIVITIES					
Cash receipts from customers and members (includes GST)		8,191,561	7,483,509	8,191,561	7,483,509
Cash paid to suppliers and employees (includes GST)		(5,985,123)	(6,365,242)	(5,985,123)	(6,365,242)
		2,206,438	1,118,268	2,206,438	1,118,268
Interest received		697	1,592	697	1,592
Interest paid		(60,201)	(132,266)	(60,201)	(132,266)
Net Cash Provided by/(Used in) Operating Activities	12	2,146,934	987,593	2,146,934	987,593
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		(224,198)	(123,487)	(224,198)	(123,487)
Purchase of Capital Work in Progress		(82,522)	-	(82,522)	-
Proceeds from disposal of property, plant and equipment		25,933	-	25,933	-
Net Cash Used in Investing Activities		(280,787)	(123,487)	(280,787)	(123,487)
CASH FLOWS FROM FINANCING ACTIVITIES					
Lease payments		-	-	-	-
Repayment of borrowings		(250,367)	(238,751)	(250,367)	(238,751)
Proceeds from borrowings		-	-	-	-
Transfers to loan offset		(950,000)	(500,000)	(950,000)	(500,000)
Net Cash Flows Used in Financing Activities		(1,200,367)	(738,751)	(1,200,367)	(738,751)
Net increase/(decrease) in cash and cash equivalents		665,780	125,354	665,780	125,354
Cash and cash equivalents at the beginning of the year		1,412,535	1,287,181	1,412,535	1,287,181
Other financial assets as the end of the year - Term Deposits		-	-	-	-
Cash and cash equivalents & Other financial assets at the end of the year	6	2,078,315	1,412,535	2,078,315	1,412,535

The accompanying notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

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, Australian 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 CONT'D

NOTE 1 - SUMMARY 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.

A member joins the Association for a 12 month period, having the option to pay the full membership fee upon joining, or to make 12 equal monthly payments across the membership year. There is no discount for members who choose to pay their fees in advance, and there is no penalty for members choosing to pay their fees monthly. Members complete a membership application and accept the Terms and Conditions of the organisation.

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 of these 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Unearned income

Fees received in advance are deferred and matched against expenses 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.

(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 their 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 and Fittings	7.5% to 33%
IT and Office Equipment	6.5% to 33%
Motor Vehicles	12.5%
Plant and Equipment	5% to 6.7%

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

Intangibles

Intangibles are shown at their cost base less amortisation. Intangibles are being amortised over a 20 year life.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

NOTE 1 - SUMMARY 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 obligation, 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 cost 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

(m) Fair value measurement

All assets and liabilities of the association for which fair value is measured or disclosed in the financial statements are categorised 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.

None of the association's valuations of assets or liabilities are eligible for categorisation into level 1 or level 3 of the fair value hierarchy. There were no transfers of assets between fair value hierarchy levels during the year.

(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 statements of financial position, with a corresponding amount of income recognised in the statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 13 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.

(r) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

NOTE 2 - SALES REVENUE

	Consolidated		Parent	
Sales revenue	2021 \$	2020 \$	2021 \$	2020 \$
- Insurance commissions	512,657	469,546	512,657	469,546
- Advertising	-	-	-	-
- Training	201,136	233,016	201,136	233,016
- Apprentice connect	9,678	8,689	9,678	8,689
- Events	62,126	168,993	62,126	168,993
- Sundry	33,150	564,436	33,150	564,436
- Project income	691,882	595,299	691,882	595,299
- Agency fee - Master Electricians Association Limited	1,078,456	819,229	1,078,456	819,229
Total Sales Revenue	2,589,087	2,859,209	2,589,087	2,859,209

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

NOTE 3: OTHER INCOME

	Consolidated		Parent	
	2021 \$	2020 \$	2021 \$	2020 \$
Rental income	425,919	556,550	425,919	556,550
Grants received	607,254	354,000	607,254	354,000
Interest received	697	1,592	697	1,592
Sponsorship Income	264,630	291,059	264,630	291,059
Revenue from membership fees	3,723,835	3,738,666	3,723,835	3,738,666
Total Other Income	5,022,335	4,941,867	5,022,335	4,941,867

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		Parent	
	2021 \$	2020 \$	2021 \$	2020 \$
Audit of financial statements (includes GST)	34,000	34,550	34,000	34,550
Prior year audit (over) / under accrual	(969)	(2,985)	(969)	(2,985)
	33,031	31,565	33,031	31,565

NOTE 5: FINANCIAL STATEMENT IMPACT FROM COVID-19 GOVERNMENT INITIATIVES

Commencing March 2020, the Federal and State Governments established a number of initiatives supporting business through the COVID-19 environment. The profit included in the financial statements of the parent entity, attributable to this source, is \$536,382.79.

The parent entity qualified for the initial round of JobKeeper payments to 30 September 2020. The payments were received in arrears with the payments for the period June to September (inclusive) appearing in the 2020/21 financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

NOTE 6: CASH AND CASH EQUIVALENTS

	Consolidated		Parent	
	2021 \$	2020 \$	2021 \$	2020 \$
Current assets:				
Cash on hand	50	50	50	50
Cash at bank	2,078,265	1,412,485	2,078,265	1,412,485
	2,078,315	1,412,535	2,078,315	1,412,535

NOTE 7 TRADE AND OTHER RECEIVABLES

	Consolidated		Parent	
	2021 \$	2020 \$	2021 \$	2020 \$
a. Current:				
Trade receivables	456,751	139,269	456,751	139,269
Provision for impairment of receivables	(27,811)	(17,000)	(27,811)	(17,000)
	428,940	122,269	428,940	122,269
Prepayments	337,556	197,655	337,556	197,655
Other receivables	56,185	260,849	56,185	260,849
	822,680	580,773	822,680	580,773
b. Non current:				
Loans to group companies	-	-	544,217	544,217
Provision for impairment	-	-	(544,217)	(544,217)
	-	-	-	-

The loans to group companies are unsecured, interest free and have no fixed repayment terms.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	Consolidated		Parent	
	2021 \$	2020 \$	2021 \$	2020 \$
LAND AND BUILDINGS				
Freehold land at independent valuation (level 2)*	5,800,000	5,500,000	5,800,000	5,500,000
Total freehold land	5,800,000	5,500,000	5,800,000	5,500,000
Buildings at independent valuation (level 2)*	3,100,000	3,100,000	3,100,000	3,100,000
Less accumulated depreciation	(212)	(96,822)	(212)	(96,822)
Total buildings	3,099,788	3,003,178	3,099,788	3,003,178
TOTAL LAND AND BUILDINGS	8,899,788	8,503,178	8,899,788	8,503,178
PLANT AND EQUIPMENT				
Furniture, fixtures and fittings at cost	474,650	523,117	474,650	523,117
Less accumulated depreciation	(399,919)	(412,629)	(399,919)	(412,629)
Total furniture, fixture and fittings	74,731	110,488	74,731	110,488
Computer equipment at cost	172,618	214,739	172,618	214,739
Less accumulated depreciation	(102,101)	(139,969)	(102,101)	(139,969)
Total computer equipment	70,517	74,770	70,517	74,770
Office equipment at cost	17,668	23,020	17,668	23,020
Less accumulated depreciation	(17,163)	(20,930)	(17,163)	(20,930)
Total office equipment	505	2,090	505	2,090
Motor vehicles at cost	249,979	277,036	249,979	277,036
Less accumulated depreciation	(161,344)	(150,241)	(161,344)	(150,241)
Total motor vehicles	88,635	126,794	88,635	126,794
Plant & Equipment at cost	106,650	41,815	106,650	41,815
Less accumulated depreciation	(6,092)	(865)	(6,092)	(865)
Total plant & equipment	100,558	40,950	100,558	40,950
Right of Use at cost	-	68,703	-	68,703
Less accumulated depreciation	-	(19,627)	-	(19,627)
Total right of use	-	49,077	-	49,077
TOTAL PLANT & EQUIPMENT	334,946	404,168	334,946	404,168
TOTAL PROPERTY, PLANT AND EQUIPMENT	9,234,734	8,907,346	9,234,734	8,907,346

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

Movements in carrying amounts

	Land \$	Buildings \$	Furniture, Fixtures & Fittings \$	Computer Equipment \$	Office Equipment \$	Motor Vehicles \$	Plant & Equipment \$	Total \$
PARENT / CONSOLIDATED: 2020								
Balance at the beginning of year	5,500,000	3,080,678	149,330	32,677	3,737	146,597	-	8,913,018
Additions	-	-	-	62,046	-	-	110,518	172,564
Depreciation expense	-	(77,500)	(38,842)	(19,952)	(1,647)	(19,803)	(20,492)	(178,235)
CARRYING AMOUNT AT END OF YEAR	5,500,000	3,003,178	110,488	74,770	2,090	126,794	90,027	8,907,346
PARENT / CONSOLIDATED: 2021								
Balance at the beginning of year	5,500,000	3,003,178	110,488	74,770	2,090	126,794	90,027	8,907,347
Additions	-	-	4,207	29,763	-	-	64,835	98,805
Disposals	-	-	(52,674)	(71,884)	(5,352)	(27,056)	(68,703)	(225,669)
Accumulated Depreciation on Disposals	-	-	45,336	71,884	5,243	8,570	22,891	153,924
Depreciation expense	-	(77,712)	(32,625)	(34,016)	(1,476)	(19,672)	(8,492)	(173,994)
Adjustment to Accumulated Depreciation due to Revaluation	-	174,322	-	-	-	-	-	174,322
Revaluation	300,000	-	-	-	-	-	-	300,000
CARRYING AMOUNT AT END OF YEAR	5,800,000	3,099,788	74,731	70,517	505	88,635	100,558	9,234,734

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

NOTE 9: INTANGIBLES

	Consolidated		Parent	
	2021 \$	2020 \$	2021 \$	2020 \$
Computer software at cost	254,755	144,195	254,754	144,194
Less accumulated amortisation	(147,582)	(142,224)	(147,582)	(142,224)
Capital Work in Progress	82,522		82,522	
Brands and trademarks	950,000	950,000	950,000	950,000
Less accumulated amortisation	(368,824)	(324,118)	(368,824)	(324,118)
TOTAL INTANGIBLES	770,871	627,853	770,870	627,852

MOVEMENTS IN CARRYING AMOUNTS

Balance at the beginning of year	627,853	677,159	627,852	677,158
Additions	204,651	-	204,651	-
Disposals	(11,569)	-	(11,569)	-
Less accumulated depreciation on Disposals	11,569	-	11,569	-
Depreciation Expense (IT Software)	(16,927)	(4,600)	(16,927)	(4,600)
Amortisation expense (Brands and Trademarks)	(44,706)	(44,706)	(44,706)	(44,706)
CARRYING AMOUNT AT END OF YEAR	770,871	627,853	770,870	627,852

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

NOTE 10: TRADE AND OTHER PAYABLES

	Consolidated		Parent	
	2021 \$	2020 \$	2021 \$	2020 \$
a. Current				
Trade payables	205,790	108,970	205,790	108,970
Amounts received in advance	1,644,471	961,628	1,644,471	961,628
Other payables	340,563	309,377	340,563	309,377
	2,190,823	1,379,974	2,190,823	1,379,974
b. Non Current				
Other Payables	68,401	57,020	68,401	57,020
	68,401	57,020	68,401	57,020
	2,259,224	1,436,994	2,259,224	1,436,994

NOTE 11: FINANCIAL LIABILITIES

	Consolidated		Parent	
	2021 \$	2020 \$	2021 \$	2020 \$
a. Current:				
Unsecured - Lease Liability	-	21,062	-	21,062
Commercial loan current	258,301	248,116	258,301	248,116
	258,301	269,178	258,301	269,178
b. Non Current:				
Unsecured - Lease Liability	-	28,015	-	28,015
Commercial loan non-current	1,506,401	2,716,952	1,506,401	2,716,952
	1,506,401	2,744,967	1,506,401	2,744,967
	1,764,702	3,014,145	1,764,702	3,014,145

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

NOTE 12: CASH FLOW INFORMATION

	Consolidated		Parent	
	2021 \$	2020 \$	2021 \$	2020 \$
A) RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH PROFIT AFTER INCOME TAX				
Net profit for the period	1,397,536	660,530	1,397,536	660,530
Non-cash flow items:				
Depreciation and amortisation	235,627	227,541	235,627	227,541
Gain on property revaluation	(174,322)	-	(174,322)	-
Changes in assets and liabilities:				
(Increase)/decrease in receivables	(241,908)	369,444	(241,908)	369,444
Increase/(decrease) in payables	822,231	(368,229)	822,231	(368,229)
Increase/(decrease) in provisions	107,770	98,307	107,770	98,307
Net cash outflow from operations	2,146,934	987,593	2,146,934	987,593
B) LOAN FACILITIES				
Credit facility	4,414,702	4,665,069	4,414,702	4,665,069
Amount utilised	(1,764,702)	(2,965,069)	(1,764,702)	(2,965,069)
	2,650,000	1,700,000	2,650,000	1,700,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

NOTE 13: CONTROLLED ENTITIES

Name	Country of incorporation	2021 % Owned	2020		
			\$	% Owned	\$
Master Electricians Australia Limited*	Australia	100%	-	100%	-
Energy Management Institute Limited**	Australia	100%	1	100%	1
			<u>1</u>		<u>1</u>

* 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	
	2021 \$	2020 \$	2021 \$	2020 \$	2021 \$	2020 \$	2021 \$	2020 \$
Master Electricians Australia Limited	-	-	543,170	543,170	-	-	-	-
Energy Management Institute Limited	-	-	377	377	-	-	-	-

(b) Transactions with controlled entities

	Consolidated		Parent	
	2021 \$	2020 \$	2021 \$	2020 \$
Transaction with controlled entities:				
- Intercompany Loans				
Master Electricians Australia Limited	-	-	543,170	543,170
Energy Management Institute Limited	-	-	377	377
	<u>-</u>	<u>-</u>	<u>543,547</u>	<u>543,546</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

NOTE 14: 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		Parent	
	2021 \$	2020 \$	2021 \$	2020 \$
Membership fees invoiced on behalf of MEAssnL	1,089,350	827,504	1,089,350	827,504
Membership fees transferred to MEAssnL	(1,089,350)	(827,504)	(1,089,350)	(827,504)
MEAssnL Membership Fees retained by Parent	-	-	-	-
Agency Fee paid to the Parent by MEAssnL per the Commercial Agreement	425,919	556,550	425,919	556,550
Agency fee as a percentage of Membership Fee Revenue received by MEAssnL	39%	67%	39%	67%

NOTE 15: ASSOCIATION DETAILS

The registered office of the Association is:

Master Electricians Association Queensland Industrial Organisation of Employers

57 Berwick Street
Fortitude Valley 4006
Queensland

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

NOTE 16: FINANCIAL INSTRUMENTS

(a) 1. 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.

2. 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.

3. Financial Risks

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

4. Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate debt. At 30 June 2021, approximately 99% of the Association's debt is variable.

5. Foreign exchange risk

The Association has no exposure to foreign exchange risk.

6. Liquidity risk

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

7. 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.

8. Price risk

The Association is not exposed to any material commodity price risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

(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:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing			
	2021 %	2020 %	2021 \$	2020 \$	within 1 year		1 to 5 years	
					2021 \$	2020 \$	2021 \$	2020 \$
CONSOLIDATED								
FINANCIAL ASSETS								
Cash on hand			50	50	-	-	-	-
Cash at bank	0.08%	0.20%	2,078,265	1,412,485	-	-	-	-
TOTAL FINANCIAL ASSETS			2,078,315	1,412,535	-	-	-	-
FINANCIAL LIABILITIES								
Commercial loan	2.90%	2.98%	1,764,702	2,965,069	-	-	-	-
TOTAL FINANCIAL LIABILITIES			1,764,702	2,965,069	-	-	-	-
PARENT								
FINANCIAL ASSETS								
Cash on hand			50	50	-	-	-	-
Cash at bank	0.08%	0.20%	2,078,265	1,412,485	-	-	-	-
TOTAL FINANCIAL ASSETS			2,078,315	1,412,535	-	-	-	-
FINANCIAL LIABILITIES								
Commercial loan	2.90%	2.98%	1,764,702	2,965,069	-	-	-	-
TOTAL FINANCIAL LIABILITIES			1,764,702	2,965,069	-	-	-	-

(c) Net Fair Values

The carrying value of the Association's financial assets and liabilities approximate their fair values.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT'D

NOTE 17: KEY MANAGEMENT PERSONNEL DISCLOSURES

The aggregate compensation made to officers and other members of key management personnel of the incorporated association is set out below:

	2021 \$	2020 \$
Short Term Employee Benefits	897,857	971,296
Post Employment Benefits	75,875	83,185
Other Long Term Benefits	20,472	14,765
Total Payments	994,204	1,069,246

NOTE 18: FINANCIAL ENTITLEMENT

The Company is eligible for a financial distribution from a third party trust. The financial value of the entitlement is not yet known. The Governing Body has approved donating this amount, when received, for the construction of the new Queensland Training facility. Agreement for the construction requires contribution from industry bodies.

CERTIFICATE BY ACCOUNTING OFFICER OF UNION

I, Carol Caton, 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 2021;
- ii) The number of financial members at the end of the year was 2,156;
- iii) The number of non-financial members at the end of the financial year was 6;
- 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 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 14 day of September 2021.
Fortitude Valley, Brisbane Queensland.

CERTIFICATE BY TREASURER

I, Tamartha Stanton, being the Treasurer of the Master Electricians 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 2021 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 14 day of September 2021.
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 2021;
- 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 Organisations 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 2021 have been:
 - a) Presented to a Council's meeting on 14 September 2021 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 14th day of September 2021.
Townsville, Queensland.



Councillor

Dated this 14 day of September 2021.
Fortitude Valley, Brisbane Queensland.

CERTIFICATE BY PRESIDENT

INDUSTRIAL RELATIONS ACT 2016, SECTION 784(c)

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 14 September 2021, and that a copy will be provided to the members in accordance with the provisions of the Act.



President

Dated this ~~14th~~ day of September 2021.
Townsville, Queensland.

OPERATING REPORT BY MANAGEMENT COMMITTEE

Principal activities of the Industrial Organisation for the financial year ended 30 June 2021 include:

	Item	2021 \$	2020 \$
(i) Members - Provision of Membership services	Members Serviced	2,156	1,805
Membership services include:			
Workplace Relations & Technical Hotlines	Usage	MEMBERS HAVE UNLIMITED USAGE	
Safety System and Support	Subscribers serviced	604	466
Training	Revenue from Training courses provided	201,136	233,016
(ii) Solar Auditing	Audits conducted	115	80

The financial affairs of the Industrial Organisation have been affected by:

- i) Paydown of loan facility by \$950,000
- ii) The Industrial Organisation is reducing its training footprint.
- iii) COVID-19 impacted the economic environment from March 2020. The organisation received \$536,382.79 in government initiatives.

Right 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 to 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.

OPERATING REPORT BY MANAGEMENT COMMITTEE CONT'D

Officer who is a Trustee or Director of a Superannuation Entity

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

Remuneration Register

OFFICER	REMUNERATION	NON CASH BENEFIT	\$ VALUE	PAYMENTS IN CAPACITY OF BOARD MEMBER
John Horan	Nil	Flights for Council Meetings	225	Nil
Tamantha Stanton	Nil	Nil	Nil	Nil
Tony Arnold	Nil	Nil	Nil	Nil
Chris Lehmann	Nil	Nil	Nil	Nil
Richard Flanagan	Nil	Nil	Nil	Nil
Vince Whelan (resigned 08/20)	Nil	Nil	Nil	Nil
Owen Blamires	Nil	Nil	Nil	Nil
Sarah Loveday	Nil	Nil	Nil	Nil
Peter Matthews	Nil	Nil	Nil	Nil
Brooke MacGregor	Nil	Nil	Nil	Nil
Leo Ward	Nil	Flights for Council Meetings	349	Nil
Michael Saunders (joined 10/20)	Nil	Flights for Council Meetings	1,013	Nil
TOTAL	\$	-	1,587	-

Loans Register Nil

Grants Register Nil

OPERATING REPORT BY MANAGEMENT COMMITTEE CONT'D

Donations Register

RECIPIENT	ADDRESS	DATE	AMOUNT \$	REASON
Liberal National Party	281 Sandgate Road, Albion QLD 4010	12/08/2020	\$990	Engaging in advocacy work
Liberal National Party	281 Sandgate Road, Albion QLD 4010	29/08/2020	\$1,200	Building brand profile
Australian Labor Party (State of Queensland)	1/16 Peel Street, South Brisbane QLD 4101	17/09/2020	\$990	Engaging in advocacy work
Melanoma Patients Australia	620 Stanley Street, Woolloongabba QLD 4102	1/10/2020	\$100	Building brand profile
Australian Labor Party (State of Queensland)	1/16 Peel Street, South Brisbane QLD 4101	16/10/2020	\$991	Building brand profile
MEA Power Up	57 Berwick Street, Fortitude Valley, QLD 4006	18/03/2021	\$5,000	Industry specific charity
MEA Power Up	57 Berwick Street, Fortitude Valley, QLD 4006	30/06/2021	\$9,400	Industry specific charity
TOTAL			\$18,671	

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 ~~14th~~ day of September 2021.
Townsville, Queensland.



Tamarantha Stanton
Councillor

Dated this 14 day of September 2021.
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 2021;
- 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 2021:
 - 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:

COMMITTEE OF MANAGEMENT STATEMENT CONT'D

OFFICER'S NAME	ROLE	MOST RECENT TRAINING	NAME OF TRAINING
John Horan	President	22-Apr-20	Financial Training for Management Committee Members of Registered Industrial Organisations
Tamantha Stanton	Treasurer	22-Apr-20	Financial Training for Management Committee Members of Registered Industrial Organisations
Tony Arnold	Immediate Past President	22-Apr-20	Financial Training for Management Committee Members of Registered Industrial Organisations
Peter Matthews	Councillor	22-Apr-20	Financial Training for Management Committee Members of Registered Industrial Organisations
Sarah Loveday	Councillor	22-Apr-20	Financial Training for Management Committee Members of Registered Industrial Organisations
Christopher Lehmann	Councillor	22-Apr-20	Financial Training for Management Committee Members of Registered Industrial Organisations
Brooke MacGregor	Councillor	22-Apr-20	Financial Training for Management Committee Members of Registered Industrial Organisations
Leo Ward	Councillor	22-Apr-20	Financial Training for Management Committee Members of Registered Industrial Organisations

This Statement is made in accordance with resolution passed by the Committee of Management of the Industrial Organisation on 14 September 2021 in relation to the matters requiring declaration.

On behalf of the Council.



John Horan
Councillor

Dated this 14th day of September 2021.
Townsville, Queensland.



Tamantha Stanton
Councillor

Dated this 14 day of September 2021.
Fortitude Valley, Brisbane Queensland.

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 2021, 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, and the certificates by the members.

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 2021 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' certificate for the year ended 30 June 2021 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.

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 the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately-owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Audit Australia, an affiliate of Findex (Aust) Pty Ltd.

© 2021 Findex (Aust) Pty Ltd

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 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

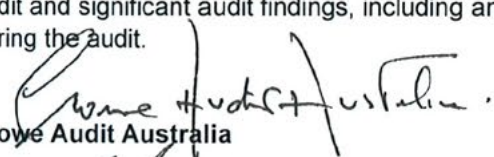
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that 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.

- Obtains 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.

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
Mike McDonald ^{DAM}
Partner

14 September 2021
Brisbane



**MASTER
ELECTRICIANS
AUSTRALIA**

P: 1300 889 198

E: info@mea.asn.au

@ masteryelectricians.com.au

Master Electricians Association Limited | ACN 163 222 642
Master Electricians Association Queensland | ABN 40 669 256 171