

Annual Report

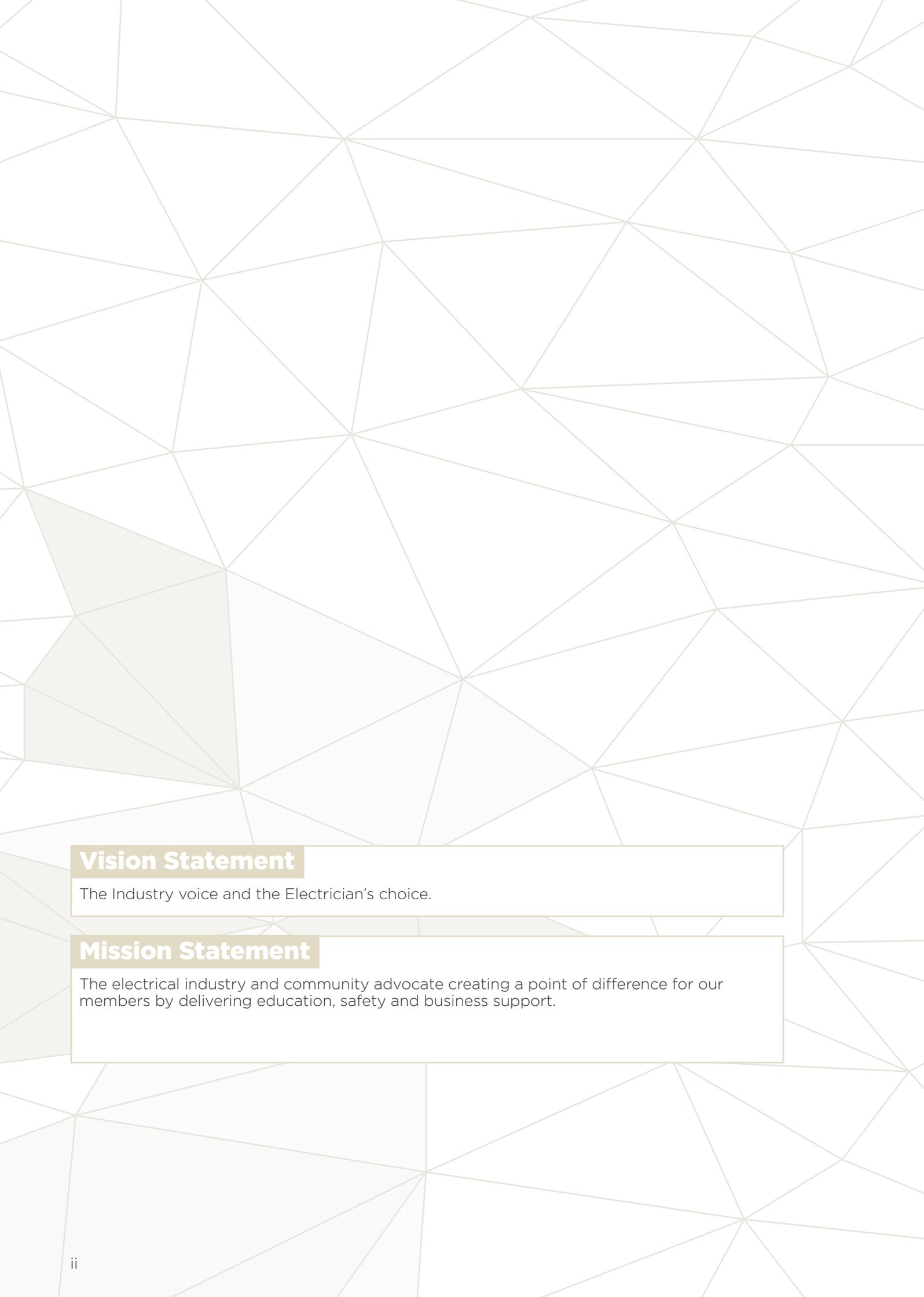
For the year ended 30 June 2022

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

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



**MASTER
ELECTRICIANS
AUSTRALIA**



Vision Statement

The Industry voice and the Electrician's choice.

Mission Statement

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

Contents

Section A **Master Electricians Association Limited**

Financial report for the year ended 30 June 2022

Director's Report	2
Auditor's Independence Declaration	6
Statement of Profit or Loss and Other Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Cash Flow	10
Notes to the Financial Statements	11
Director's Declaration	16
Independent Auditor's Report to the Members	17

Section B **Master Electricians Association Queensland Industrial Organisation of Employers**

Consolidated financial statements for the year ended 30 June 2022

Consolidated Statements of Profit and 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 Flow	6
Notes to the Consolidated Financial Statements	7
Certificate by Accounting Officer of Union	23
Certificate by Treasurer	24
Certificate by Members of Council	25
Certificate by President	26
Operating Report by Management Committee	27
Committee of Management Statement	29
Independent Auditor's Report to the Members	31



President's Report

The past 12 months has again shown how dynamic our industry can be. FY21/22 commenced in the midst of a perfect storm; pandemic induced supply chain issues, a boom in home building and a shortage in skilled labour.

Supply chain issues have continued to plague us, resulting in skyrocketing material costs. The only way to keep your head above the water is to monitor your material costs, make cost savings where you can and increase your pricing to maintain your margin. Without doing this, you'll be caught in the profitless boom, plenty of work but you're not making money and it's not sustainable.

I certainly commend Malcolm Richards and the MEA team who continue to reiterate this message to our members.

As a member owned association, we have continued to exercise financial prudence over the past 12 months. Your association remains well placed to tackle future challenges. We are in a good capital position, we've continued to pay down our building loan and the investment in upgrading the ME Safety offering is coming to fruition. The potential development of AI/AR video risk assessments is an exciting initiative that will deliver further value to members.

The Board has worked closely with CEO Malcolm Richards and his leadership team to develop a strategic plan that ensures the organisation continues to evolve its service offering. MEA becoming a Fire and Solar Accreditation body for members is a key initiative currently being scoped. It's a large body of work but has the potential to deliver enormous value to our members.

I'd like to thank you for your support and wish you the very best for the coming 12 months.

John Horan

President



CEO's Report

With State borders re-opening across Australia, I've been able to re-commence one of the things I love - getting out and speaking directly with members across Australia. Listening to what's important to you, taking your input away and then delivering those critical services that add value to your business is rewarding.

One of the core themes Master Electricians across Australia have brought to my attention is the difficulty of managing safety. As a result of your feedback, the MEA Council approved an investment in ME Safety last year. Phase 1 has now been delivered which included a new platform and consolidated offering. The MEA team are now working on integrating ME Safety with works management systems. The first cab off the rank will be Aroflo.

In addition to the above, we are scoping integrating AI/AR technology into our video risk assessments. This technology coupled with ME Safety content and industry data will provide another set of eyes/industry knowledge to support workers in the field when they are completing a risk assessment.

MEA has taken a leading role in ensuring our Federal and State Government leaders understand the importance of Distributed Energy Resources (DER), bidirectional car charging and the role these assets can play to assist with grid and energy management for DNSP and consumers. As the voice of the industry we have already commenced advocating for a replacement of the ABCC. It is critical we have a strong regulatory regime for the construction industry to ensure that freedom of association and illegal industrial action doesn't occur.

The Master Electrician brand carries enormous brand value. The Industry Recognition Program allowing members to be recognised as Bronze, Silver or Gold Master Electricians is one way members can leverage value from the brand by way of using the applicable logo in their advertising. MEA has applied to the ACCC seeking accreditation of our Industry Recognition Program. If granted, this is further endorsement of the high quality and standards all Master Electricians commit to.

Providing trusted advice that allows members to remain safe and compliant is a core focus for the association. Over the past 12 months our Technical, Safety and Employer Advice team answered 18,511 calls; members asking for advice and guidance over the phone. That's in addition to the hundreds of downloads of our guidance notes, business support tools, webinars and Standards. We are continuing to expand our partner offers which allow our members to save money; from fuel to vehicle purchases, marketing, bookkeeping services and more.

I look forward to continuing to work closely with all our Master Electricians over the next 12 months.

Kind regards

Malcolm Richards

CEO



Master Electricians Association Limited

Financial report for the year ended 30 June 2022

ACN 163 222 642

Contents

Director's Report	2
Auditor's Independence Declaration	6
Statement of Profit or Loss and Other Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Cash Flow	10
Notes to the Financial Statements	11
Director's Declaration	16
Independent Auditor's Report to the Members	17

Director's Report

Your directors present this report on the company for the financial year ended 30 June 2022.

Directors

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

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

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

Principal Activities

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

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

Operating Results

The directors have reviewed the operations for the year ended 30 June 2022 and report that the operations have been consistent with the 2022 operating budget.

The result from operations was a profit after tax for the year ended 30 June 2022 of \$12,736 (2021: profit after tax of \$10,894).

Dividends Paid or Recommended

No dividends have been paid or declared since the start of the financial year (2021: \$nil).

Significant Changes in State of Affairs

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

Environmental Regulations

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

Directors' Report (continued)

Information on Directors

John Horan

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

Troy Smith

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

James Johnson

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

Erik Scholz

- Self-employed; Director Master Electricians Australia Limited

Rowan Diamond

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

Ray Sherriff

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

Alex Foster

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

Stephanie Gee

- Self-employed; Director Master Electricians Australia Limited

Peter Matthews

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

Sarah Loveday

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

Company Secretary

Malcolm Richards

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

Directors' Report (continued)

Key Management Personnel Remuneration Policy

The Company's policy for determining the nature and amount of remuneration of key management personnel 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	Directors' Meetings	
	Number Eligible to Attend	Number Attended
John Horan	6	6
Troy Smith	6	6
James Johnson	6	6
Erik Scholz	6	5
Rowan Diamond	6	6
Ray Sherriff	6	5
Alex Foster	6	6
Stephanie Gee	6	6
Peter Matthews	4	4
Sarah Loveday	5	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 Auditors

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

Directors' Report (continued)

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

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

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

Matters Subsequent to the End of the Financial Year

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

Proceedings on Behalf of the Company

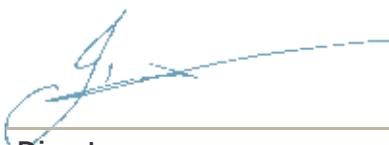
No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

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

Auditor's Independence Declaration

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

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



Director

Date: 24 August 2022

Auditor's Independence Declaration



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Auditor's Independence Declaration

As auditor of Master Electricians Association Limited for the year ended 30 June 2022, 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


Wicus Wessels
Associate Partner

Date: 24 August 2022
Brisbane

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

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.

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Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022	2021
		\$	\$
Revenue from continuing operations		1,273,630	1,089,350
Agency fee - MEAQ		(1,260,894)	(1,078,456)
Profit before income tax		12,736	10,894
Income tax expense		-	-
Profit after income tax		12,736	10,894
Other comprehensive income for the year		-	-
TOTAL COMPREHENSIVE PROFIT FOR THE YEAR ATTRIBUTABLE TO MEMBERS		12,736	10,894

The accompanying notes form part of these financial statements.

Statement of Financial Position

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022	2021
		\$	\$
CURRENT ASSETS			
Prepayments	3	174,862	176,528
Loans to related parties	3	78,127	65,413
TOTAL ASSETS		252,989	241,941
CURRENT LIABILITIES			
Trades and other payables	2	176,737	178,424
TOTAL LIABILITIES		176,737	178,424
NET ASSETS		76,253	63,517
EQUITY			
Retained earnings		76,253	63,517
TOTAL EQUITY		76,253	63,517

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2022

	Retained Earnings	Total
	\$	\$
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	<u>10,894</u>	<u>10,894</u>
Balance at 1 July 2021	63,517	63,517
Total comprehensive income:		
Income for the year	12,736	12,736
Other comprehensive income	-	-
Total comprehensive profit for the year	<u>12,736</u>	<u>12,736</u>
Balance at 30 June 2022	<u>76,253</u>	<u>76,253</u>

The accompanying notes form part of these financial statements.

Statement of Cash Flow

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022	2021
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,259,232	1,127,002
Payments to suppliers and employees		(1,259,232)	(1,127,002)
NET CASH FROM OPERATING ACTIVITIES	4	-	-
NET CASH FROM INVESTING ACTIVITIES		-	-
NET CASH FROM 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		-	-

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Reporting company

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

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

The financial report was authorised for issue by the board of directors on 24 August 2022.

Basis of Preparation

Statement of Compliance

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

Reporting Basis and Conventions

The financial report is presented in Australian dollars.

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

- *Critical Accounting Estimates and Judgments*

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

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

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

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Income Tax

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

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

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

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

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

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

b) Cash and Cash Equivalents

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

c) Revenue

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

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

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

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

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

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 Statements

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 2 - TRADE AND OTHER PAYABLES

	2022	2021
	\$	\$
Revenue received in advance	176,628	178,311
Other payables	108	113
	<u>176,737</u>	<u>178,424</u>

NOTE 3 - CURRENT ASSETS

	2022	2021
	\$	\$
Agency Fee: Prepayment	174,862	176,528
Loan to MEAQ	78,127	65,412
	<u>252,989</u>	<u>241,941</u>

NOTE 4 - CASH FLOW INFORMATION

	2022	2021
	\$	\$
Reconciliation of net cash from operating activities to profit/(loss) after income tax		
Net profit/(loss) after income tax	<u>12,736</u>	<u>10,894</u>
Adjustment for changes in assets and liabilities		
(Increase)/decrease in prepayments	1,666	(37,051)
(Increase)/decrease in loans to related parties	(12,715)	(11,382)
Increase/(decrease) in payables	<u>(1,688)</u>	<u>37,539</u>
Net cash from operating activities	<u>-</u>	<u>-</u>

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 \$3,802,154 as at 30 June 2022 (2021 - \$4,564,702). No material liability is expected to arise from this guarantee.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

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	
	2022	2021
	\$	\$
Membership fees invoiced by MEAQ and transferred to the Company	1,273,630	1,089,350
Agency Fee paid by the Company to MEAQ	(1,260,894)	(1,078,456)
Profit retained by the Company	12,736	10,894
Agency fee as a % of Membership Fee Revenue Received	99%	99%

NOTE 7 – EVENTS AFTER 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 2022, the total amount that members of the Company are liable to contribute if the Company is wound up is \$9,530 (2021: \$8,810).

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 QLD 4006

Director's Declaration

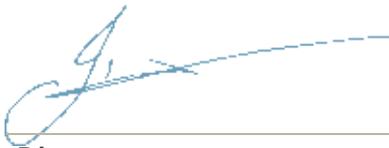
FOR THE YEAR ENDED 30 JUNE 2022

Master Electricians Association Limited

The directors declare that:

- (a) The financial statements and notes, as set out on pages 7 to 15 are in accordance with the Corporations Act 2001, including:
 - i. Complying with the Australian Accounting Standards including International Financial Reporting Standards as referred to in Note 1, and the Corporations Regulations 2001;
and
 - ii. Giving a true and fair view of the company's financial position as at 30 June 2022 and its performance for the year ended on that date; and
- (b) In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

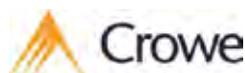


Director

Signed at Brisbane this 24th day of August 2022.

Independent Auditor's Report

FOR THE YEAR ENDED 30 JUNE 2022



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Independent Auditor's Report

To the Members of Master Electricians Association Limited

Opinion

We have audited the financial report of Master Electricians Association Limited (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (a) Giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year then ended.
- (b) Complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

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

Other Information

The directors are responsible for the other information. The other information comprises the information contained in the Company's Director's Report for the year ended 30 June 2022, 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 external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately-owned organisation and/or its subsidiaries.

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.

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Independent Auditor's Report

FOR THE YEAR ENDED 30 JUNE 2022



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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists.

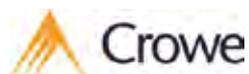
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

Independent Auditor's Report

FOR THE YEAR ENDED 30 JUNE 2022



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

Crowe Audit Australia
Crowe Audit Australia

Wicus Wessels

Wicus Wessels
Associate Partner

Date: 24 August 2022
Brisbane



Master Electricians Association Queensland
Industrial Organisation of Employers

Consolidated financial statements for the year ended 30 June 2022

ABN 40 669 256 171

Contents

Consolidated Statements of Profit and 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 Flow	6
Notes to the Consolidated Financial Statements	7
Certificate by Accounting Officer of Union	23
Certificate by Treasurer	24
Certificate by Members of Council	25
Certificate by President	26
Operating Report by Management Committee	27
Committee of Management Statement	29
Independent Auditor's Report to the Members	31

Consolidated Statements of Profit and Loss

FOR THE YEAR ENDED 30 JUNE 2022

	Note	Consolidated	
		2022	2021 Restated*
		\$	\$
Sales revenue	2	3,019,810	2,555,937
Cost of sales		(1,088,524)	(835,936)
Gross Profit		1,931,286	1,720,001
Other income	3	5,483,303	5,055,485
Employee costs		(4,162,205)	(3,945,332)
Depreciation and amortisation		(234,224)	(174,842)
Finance costs		(35,577)	(60,201)
Legal costs		(60,449)	(86,197)
Other expense		(1,940,473)	(1,234,431)
Operating Result		981,661	1,274,483
Income / (Loss) before income tax		981,661	1,274,483
Income tax		-	-
Gain on property revaluation		-	174,322
Income / (Loss) for the year after income tax		981,661	1,448,805

• See note 14 for details regarding the restatement as a result of an error

The accompanying notes form part of these financial statements.

Consolidated Statements of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2022

	Note	Consolidated	
		2022	2021 Restated *
		\$	\$
Income / (Loss) for the year		981,661	1,448,805
Other comprehensive income / (loss)		-	300,000
Total other comprehensive income / (loss) for the year		-	300,000
Total comprehensive income / (loss) for the year		981,661	1,748,805

• See note 14 for details regarding the restatement as a result of an error

The accompanying notes form part of these financial statements.

Consolidated Statements of Financial Position

FOR THE YEAR ENDED 30 JUNE 2022

	Note	Consolidated		
		2022	2021 Restated	2021
		\$	\$	\$
ASSETS				
Current Assets				
Cash and cash equivalents	6	2,079,539	2,078,315	2,078,315
Trade and other receivables	7a	949,929	822,680	822,680
Total current assets		3,029,468	2,900,995	2,900,995
Non-current assets				
Property, plant and equipment	8	9,226,328	9,234,734	9,234,734
Intangibles	9	1,335,845	1,139,695	770,871
Total non-current assets		10,562,173	10,374,429	10,005,605
TOTAL ASSETS		13,591,641	13,275,424	12,906,600
LIABILITIES				
Current liabilities				
Trade and other payables	10a	2,418,918	2,334,766	2,190,821
Financial liabilities	11a	273,609	258,301	258,301
Provision for employee entitlements		595,013	494,075	494,075
Total current liabilities		3,287,540	3,087,142	2,943,197
Non-current liabilities				
Other payables	10b	81,116	68,401	68,401
Financial liabilities	11b	728,545	1,506,401	1,506,401
Provision for employee entitlements		43,323	144,024	144,024
Total non-current liabilities		852,984	1,718,826	1,718,826
TOTAL LIABILITIES		4,140,523	4,805,967	4,662,023
NET ASSETS		9,451,117	8,469,457	8,244,576
EQUITY				
Reserves		4,669,428	4,669,428	4,669,428
Retained earnings / (accumulated losses)		4,781,689	3,800,029	3,575,148
TOTAL EQUITY		9,451,117	8,469,457	8,244,576

• See note 14 for details regarding the restatement as a result of an error

The accompanying notes form part of these financial statements.

Consolidated Statements of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2022

	Retained Earnings / (Accumulated Losses)	Asset Revaluation Reserve	Total
	\$	\$	\$
CONSOLIDATED			
Balance at 1 July 2020	2,177,613	4,369,428	6,547,041
Adjustment to retained earnings	173,611	-	173,611
Balance at 1 July 2020 (restated *)	2,351,224	4,369,428	6,720,652
Income/(loss) for the year (restated *)	1,448,805	-	1,448,805
Other comprehensive income	-	300,000	300,000
Balance at 30 June 2021	3,800,029	4,669,428	8,469,457
Balance at 1 July 2021	3,800,029	4,669,428	8,469,457
Income for the year	981,660	-	981,660
Other comprehensive income	-	-	-
Total comprehensive profit for the year	4,781,689	4,669,428	9,451,117

• See note 14 for details regarding the restatement as a result of an error

The accompanying notes form part of these financial statements.

Consolidated Statements of Cash Flow

FOR THE YEAR ENDED 30 JUNE 2022

	Note	Consolidated	
		2022	2021
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers and members (includes GST)		8,514,668	8,191,561
Cash paid to suppliers and employees (includes GST)		(7,293,988)	(5,985,123)
		1,220,680	2,206,438
Interest received		637	697
Interest paid		(35,577)	(60,201)
Net Cash Provided by / (Used In) Operating Activities	12	1,185,740	2,146,934
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(446,785)	(224,198)
Proceeds from disposal of property, plant and equipment		24,817	(56,589)
Net Cash Used in Investing Activities		(421,968)	(280,787)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(262,548)	(250,367)
Transfers to loan offset		(500,000)	(950,000)
Net Cash Used in Financing Activities		(762,548)	(1,200,367)
Net increase / (decrease) in cash and cash equivalents		1,224	665,780
Cash and cash equivalents at the beginning of the year		2,078,315	1,412,535
Cash and cash equivalents & other financial assets at the end of the year		2,079,539	2,078,315

The accompanying notes form part of these financial statements.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

a) Reporting Basis and Conventions

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

b) Income Tax

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

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

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

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

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

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

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Revenue

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

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

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

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

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

Interest income is recognised as received.

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

d) Cash and cash equivalents

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

e) Unearned Income

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

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

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Property, plant and equipment

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

Property

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

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

Plant and equipment

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

Depreciation

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

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

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

Intangibles

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

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Employee benefits

Short-term employee benefits

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

Other long-term employee benefits

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

Defined contribution superannuation expense

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

h) Provisions

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

i) Borrowing costs

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

j) Leases

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

k) Trade payables

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

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1 - STATEMENT 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 categorized within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

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

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 was no transfer 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

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1 – STATEMENT 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 12 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.

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.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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	
	2022	2021
	\$	\$
Sales revenue		
Insurance commissions	512,745	512,657
Training	267,830	201,136
Apprentice connect	18,473	9,678
Events	344,274	62,126
Project income	615,594	691,884
Agency fee – Master Electricians Association Limited	1,260,894	1,078,456
Total Sales Revenue	3,019,810	2,555,937

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 3 - OTHER INCOME

	Consolidated	
	2022	2021
	\$	\$
Other income		
Rental income	418,963	425,919
Grants received	110,904	607,254
Interest received	636	697
Sponsorship income	328,949	264,630
Revenue from membership fees	4,094,433	3,723,835
Sundry	529,418	33,150
Total Sales Revenue	5,483,303	5,055,485

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	
	2022	2021
	\$	\$
Audit of financial statements (includes GST)	29,800	34,000
Prior year audit (over) / under accrual	6,350	(969)
	36,150	33,031

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

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 nil (2021: \$536,388).

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 2020 (inclusive) appearing in the 2020/21 financial year.

NOTE 6 - CASH AND CASH EQUIVALENTS

	Consolidated	
	2022	2021
	\$	\$
Current assets:		
Cash on hand	50	50
Cash at bank	2,079,489	2,078,265
	2,079,539	2,078,315

NOTE 7 - TRADE AND OTHER RECEIVABLES

	Consolidated	
	2022	2021
	\$	\$
a. Current:		
Trade receivables	398,293	456,751
Provision for expected credit losses	(31,124)	(27,811)
	367,169	428,940
Prepayments	535,145	337,556
Other receivables	47,615	56,185
	949,929	822,680

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

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 8 - PROPERTY, PLANT AND EQUIPMENT

	Consolidated	
	2022	2021
	\$	\$
LAND AND BUILDINGS		
Freehold land at independent valuation (level 2)	5,800,000	5,800,000
Total freehold land	5,800,000	5,800,000
Buildings at independent valuation (level 2)	3,100,000	3,100,000
Less accumulated depreciation	(77,712)	(212)
Total buildings	3,022,288	3,099,788
TOTAL LAND AND BUILDINGS	8,822,288	8,899,788
PLANT AND EQUIPMENT		
Furniture, fixtures and fittings at cost	505,068	474,650
Less accumulated depreciation	(431,225)	(399,919)
Total furniture, fixtures and fittings	73,843	74,731
Computer equipment at cost	173,746	172,618
Less accumulated depreciation	(100,116)	(102,101)
Total computer equipment	73,630	70,517
Office equipment at cost	18,213	17,668
Less accumulated depreciation	(17,249)	(17,163)
Total office equipment	964	505
Motor vehicles at cost	273,905	249,979
Less accumulated depreciation	(142,178)	(161,344)
Total motor vehicles	131,727	88,635
Plant & equipment at cost	135,843	106,650
Less accumulated depreciation	(11,966)	(6,092)
Total plant & equipment	123,876	100,558
TOTAL PLANT & EQUIPMENT	404,040	334,946
TOTAL PROPERTY, PLANT & EQUIPMENT	9,226,328	9,234,734

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

	Land	Buildings	Furniture, Fixtures & Fittings	Computer Equipment	Office Equipment	Motor Vehicles	Plant & Equipment	Total
	\$	\$	\$	\$	\$	\$	\$	\$
PARENT / CONSOLIDATED 2021								
Balance at 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

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

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 9 - INTANGIBLES

	Consolidated	
	2022	2021 Restated*
	\$	\$
Computer software at cost	540,590	254,755
Less accumulated depreciation	(212,451)	(147,582)
Capital works in progress	57,706	82,522
Brands and trademarks	950,000	950,000
TOTAL INTANGIBLES	1,335,845	1,139,695
MOVEMENTS IN CARRYING AMOUNTS		
Balance at the beginning of year	1,139,694	996,678
Additions	261,021	204,650
Disposals	-	(11,569)
Less accumulated depreciation on disposals	-	11,569
Depreciation expense (IT Software)	(64,870)	(16,927)
Amortisation expense (Brands and Trademarks)	-	(44,706)
CARRYING AMOUNT AT END OF YEAR	1,335,845	1,139,695

NOTE 10 - TRADE AND OTHER PAYABLES

	Consolidated	
	2022	2021
	\$	\$
a. Current:		
Trade payables	366,108	205,790
Amounts received in advance	1,770,547	1,788,413
Other payables	282,263	340,563
	2,418,918	2,334,766
b. Non-current		
Other payables	81,116	68,401
	81,116	68,401
	2,500,034	2,403,167

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 11 – FINANCIAL LIABILITIES

	Consolidated	
	2022	2021
	\$	\$
a. Current:		
Commercial loan current	273,609	258,301
	273,609	258,301
b. Non-current		
Commercial loan non-current	728,545	1,506,401
	728,545	1,506,401
	1,002,154	1,764,702

The commercial loans are secured by an unlimited Guarantee and Indemnity from Master Electricians Association Limited, a first registered mortgage over all land and buildings owned by the parent entity, and a General Security Deed over all property granted by Master Electricians Association Queensland Industrial Organisation of Employers. The interest rate on 30 June 2022 was 3.50%, the facility is for \$5,000,000 and has a term of 60 months. The loan was funded 4 January 2019, the finalisation date for the facility is 4 January 2024.

NOTE 12 – CONTROLLED ENTITIES

Name	Country of Incorporation	2022		2021	
		% Owned	\$	% Owned	\$
Master Electricians Australia Limited *	Australia	100	-	100	-
Energy Management Institute Limited **	Australia	100	1	100	1

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

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

(a) Balances in controlled entities

Name of Directly Controlled Entity	Total Assets		Total Liabilities		Total Revenue		Operating Result	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$	\$	\$
Master Electricians Australia Limited	-	-	543,170	543,170	-	-	-	-
Energy Management Institute Limited	-	-	377	377	-	-	-	-

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

(b) Transactions with controlled entities

	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
Transactions with controlled entities:				
- Intercompany loans				
Master Electricians Australia Limited	-	-	543,170	543,170
Energy Management Institute Limited	-	-	377	377
	-	-	543,547	543,547

NOTE 13 – RELATED PARTY TRANSACTIONS

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

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

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

	Consolidated	
	2022	2021
	\$	\$
Membership fees invoiced on behalf of MEAssnL	1,273,630	1,089,350
Membership fees transferred to MEAssnL	(1,273,630)	(1,089,350)
MEAssnL Membership Fees retained by Parent	-	-
Agency Fee paid to the Parent by MEAssnL per the Commercial Agreement	1,260,894	1,078,456
Agency Fee as a percentage of Membership Fee Revenue received by MEAssnL	99%	99%

NOTE 14 – CORRECTION OF MATERIAL ERRORS

a) Amortisation of Intangible Assets

In July 2022, it was discovered that there had been an error in the methodology applied to amortisation of the “Brand” intangible asset. The error resulted in a material overstatement of amortisation recognised for the 2021 and prior financial years and a corresponding understatement of the true value of the Brand intangible asset.

b) Deferred Revenue: Memberships Bad Debt Provision

In July 2022, it was discovered that there had been an error in the methodology applied to the provision for bad debts calculated for annual membership fees received in advance. The error resulted in a material understatement of the deferred revenue liability and a corresponding overstatement of the bad debts expense.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

The errors have been corrected by restating each of the affected financial statement line items for the prior period as follows:

Balance Sheet (extract)	30 June 2021	Increase/ (Decrease)	30 June 2021 (Restated)
	\$	\$	\$
Brand & Trademarks – Accumulated Amortisation	368,823	(368,823)	-
Deferred Revenue – Memberships Bad Debt Provision	143,942	(143,942)	-
Net Assets	8,244,577	224,881	8,469,457
Retained Earnings	3,575,147	224,881	3,800,029
Total Equity	8,244,577	224,881	8,469,457

Statement of Profit or loss (extract)	30 June 2021	Increase/ (Decrease)	30 June 2021 (Restated)
	\$	\$	\$
Amortisation expense	60,785	(60,785)	-
Bad and doubtful debts expense	(9,514)	9,514	-
Income / (loss) for the year after income tax	1,397,535	51,270	1,448,805
Statement of Comprehensive Income (extract)			
Income / (loss) for the year	1,397,535	51,270	1,448,805
Total comprehensive income / (loss) for the year	1,697,535	51,270	1,748,806

NOTE 15 – ASSOCIATION DETAILS

The registered office of the Association is:

Master Electricians Association Queensland Industrial Organisation of Employers
57 Berwick Street, Fortitude Valley QLD 4006

NOTE 16 – FINANCIAL INSTRUMENTS

a) Financial Risk Management

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

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

Treasury Risk Management

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

Financial Risks

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

Interest Rate Risk

Interest rate risk is managed with a mixture of fixed and floating rate debt. At 30 June 2022, approximately 99% of the Association's debt is variable.

Foreign Exchange Risk

The Association has no exposure to foreign exchange risk.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

Liquidity Risk

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

Credit Risk

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

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

Price Risk

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

b) Interest Rate Risk

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

	Weight Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing			
					Within 1 Year		1 to 5 years	
	2022 %	2021 %	2022 \$	2021 \$	2022 \$	2021 \$	2022 \$	2021 \$
CONSOLIDATED FINANCIAL ASSETS								
Cash on hand			50	50	-	-	-	-
Cash at bank	0.07%	0.08%	2,079,489	2,078,265	-	-	-	-
TOTAL FINANCIAL ASSETS			2,079,539	2,078,315	-	-	-	-
FINANCIAL LIABILITIES								
Commercial loan	2.98%	2.90%	1,002,154	1,764,702	-	-	-	-
TOTAL FINANCIAL LIABILITIES			1,002,154	1,764,702	-	-	-	-

c) Net Fair Values

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

NOTE 17 - KEY MANAGEMENT PERSONNEL DISCLOSURES

	2022	2021
	\$	\$
Short Term Employee Benefits	925,375	897,857
Post-Employment Benefits	98,778	75,875
Other Long-Term Benefits	36,799	20,472
Total Payments	1,060,952	994,204

Certificate by Accounting Officer of Union

I, **Melanie Woodward**, hereby certify:

- i. As the Chief Financial Officer, I am the person responsible for keeping the accounting and other records of the Master Electricians Association Queensland Industrial Organisation of Employers for the year ended 30 June 2022;
- ii. The number of financial members at the end of the financial year was 2,298;
- iii. The number of non-financial members at the end of the financial year was 59;
- iv. In respect of the financial year, in my opinion:
 - a) The accounts show a true and fair view of the organisation's financial affairs at the end of the financial year;
 - b) A record was kept of all amounts paid by, or collected from, the organisation's members;
 - c) All amounts so paid or collected have been credited to a financial institution account to which the amounts must be credited under the organisation's rules;
 - d) Each expenditure item by the organisation, was approved under the organisation's rules before it was incurred;
 - e) No payment was made for a special account of the organisation's other than the purpose for which the fund was operated, and all payments were approved in accordance with the rules of the organisation;
 - f) No loans or other financial benefits were granted to persons holding office/or employees of the organisation; and
 - g) The register of members of the Industrial Organisation is maintained in accordance with the Industrial Relations Act 2016.



Chief Financial Officer

Dated this 24th day of August 2022

Fortitude Valley, Brisbane, Queensland

Certificate by Treasurer

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

- i. The attached Statement of Profit or Loss and Statement of Comprehensive Income shows a true and fair view of the transactions of the Association for the financial period ended 30 June 2022 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 24th day of August 2022

Fortitude Valley, Brisbane, Queensland

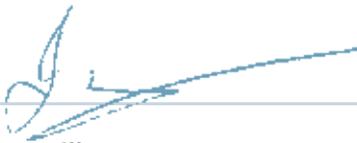
Certificate by Members of Council

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 2022;
- ii. The attached accounts were prepared in accordance with the Industrial Relations Act 2016;
- iii. The organisation was solvent during the whole period;
- iv. During the period, meetings of the Council were held in accordance with the rules of the Industrial Organisation;
- v. During the period, there have been no instances where any of the Organisation's records or rules, or copies of them, have not been given to the Organisation's Members under the Industrial Relations Act 2016, Regulations or Rules, or made available in accordance with the Act; and
- vi. The audit report and relevant accounts for the organisation's financial period ended 30 June 2022 have been:
 - a) Presented to a Council's meeting on 24 August 2022 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 24th day of August 2022
Fortitude Valley, Brisbane, Queensland

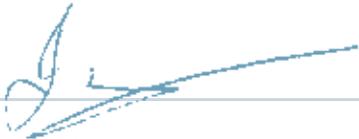


Councillor

Dated this 24th day of August 2022
Fortitude Valley, Brisbane, Queensland

Certificate by President

I, **John Horan**, being the President of the Master Electricians Association Queensland Industrial Organisation of Employers, hereby certify that the documents lodged herewith are copies of the documents presented to and endorsed by the management Council of Master Electricians Association Queensland Industrial Organisation of Employers on 24 August 2022, and that a copy will be provided to the members in accordance with the provisions of the Act.



President

Dated this 24th day of August 2022

Fortitude Valley, Brisbane, Queensland

Operating Report by Management Committee

Principle activities of the Industrial Organisation for the financial year ended 30 June 2022 include:

		2022	2021
		\$	\$
(i)	Members - Provision of Membership Services	2,298	2,156
	Membership services include:		
	Workplace Relations & Technical Hotlines	Members have unlimited usage	
	Safety System and Support	696	604
	Training	267,830	201,136
(ii)	Solar Auditing	150	115

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

- i. Paydown of the loan facility by \$500,000
- ii. Industry Contribution of \$487,539.50 to the Industry Training Facility project

Rights of Members to Resign

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

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

Officer who is a Trustee or Director of a Superannuation Entity

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

Operating Report by Management Committee (continued)

Remuneration Register

OFFICER	REMUNERATION	NON-CASH BENEFIT	VALUE \$	PAYMENTS IN CAPACITY OF BOARD MEMBER
John Horan	Nil	Flights, meals and accommodation for Council Meetings	2,343	Nil
Brook Macgregor	Nil	-	-	Nil
Tony Arnold	Nil	-	-	Nil
Owen Blamires	Nil	-	794	Nil
Sarah Loveday	Nil	-	-	Nil
Peter Matthews	Nil	-	935	Nil
Leo Ward	Nil	-	703	Nil
Michael Saunders	Nil	-	389	Nil
Ben Haines	Nil	-	-	Nil
Seth Atkinson	Nil	-	-	Nil

Loans Register Nil

Grants Register Nil

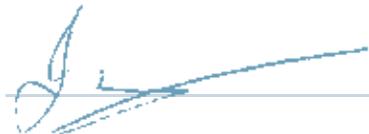
Donations Register

RECIPIENT	ADDRESS	DATE	AMOUNT \$	REASON
Liberal National Party	281 Sandgate Road, Albion QLD 4010	13/07/2021	1,000	Engaging in advocacy work
Electro Group Training QLD Ltd	9 Railway Terrace, Rocklea QLD 4106	13/09/2021	237,540	Industry Contribution for Industry Training Facility
Electro Group Training QLD Ltd	9 Railway Terrace, Rocklea QLD 4106	19/10/2021	250,000	Industry Contribution for Industry Training Facility
MEA Power Up Limited	57 Berwick Street, Fortitude Valley QLD 4006	23/03/2022	10	Industry specific charity
The Push for Better Foundation	22 Johnson Street, Wembley WA 6014	22/06/2022	300	Support mental health initiative
MEA Power Up Limited	57 Berwick Street, Fortitude Valley QLD 4006	30/06/2022	18,170	Industry specific charity
TOTAL			507,020	

Other Information

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

On behalf of the Council.



John Horan
Councillor

Dated this 24th day of August 2022
Fortitude Valley, Brisbane, Queensland



Brook MacGregor
Councillor

Dated this 24th day of August 2022
Fortitude Valley, Brisbane, Queensland

Committee of Management Statement

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

In the opinion of the Council:

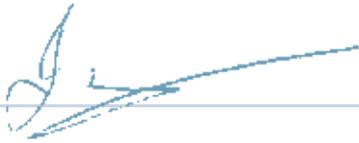
- i. The attached financial statements and notes comply with the Australian Accounting Standards;
- ii. The attached financial statements and notes comply with the reporting guidelines of the Registrar;
- iii. The attached financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Industrial Organisation as at 30 June 2022;
- 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 2022:
 - a) Meetings of the Committee of Management were held in accordance with the rules of the Industrial Organisation including the rules of a branch concerned; and
 - b) The financial affairs of the Industrial Organisation have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - c) The financial records of the Industrial Organisation have been kept and maintained in accordance with the Act; and
 - d) Where information has been sought in any request by a member of the Industrial Organisation or Registrar duly made under s787 of the Act, that information has been provided to the member or Registrar; and
 - e) Where any order for inspection of financial records has been made by the QIRC under s788 of the Act, there has been compliance.
- vi. The Industrial Organisation has complied with the requirements under section 741 of the Act, Financial Management Training, and confirms:

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

Committee of Management Statement (continued)

This Statement is made in accordance with the resolution passed by the Committee of Management of the Industrial Organisation on 24 August 2022 in relation to the matters requiring declaration.

On behalf of the Council.



John Horan
Councillor

Dated this 24th day of August 2022
Fortitude Valley, Brisbane, Queensland



Brook MacGregor
Councillor

Dated this 24th day of August 2022
Fortitude Valley, Brisbane, Queensland

Independent Auditor's Report



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Independent Auditor's Report

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

Opinion

We have audited the financial report of Master Electricians Association Queensland Industrial Organisation of Employers (the Association) and its controlled entities (the Group), which comprises the statement of financial position as at 30 June 2022, 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 2022 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 2022 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.

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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.

Independent Auditor's Report (continued)



- 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
Crowe Audit Australia

Wicus Wessels
Wicus Wessels
Associate Partner

Date: 24 August 2022
Brisbane



**MASTER
ELECTRICIANS
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