Powering Skills Organisation Ltd

Annual Report 2024

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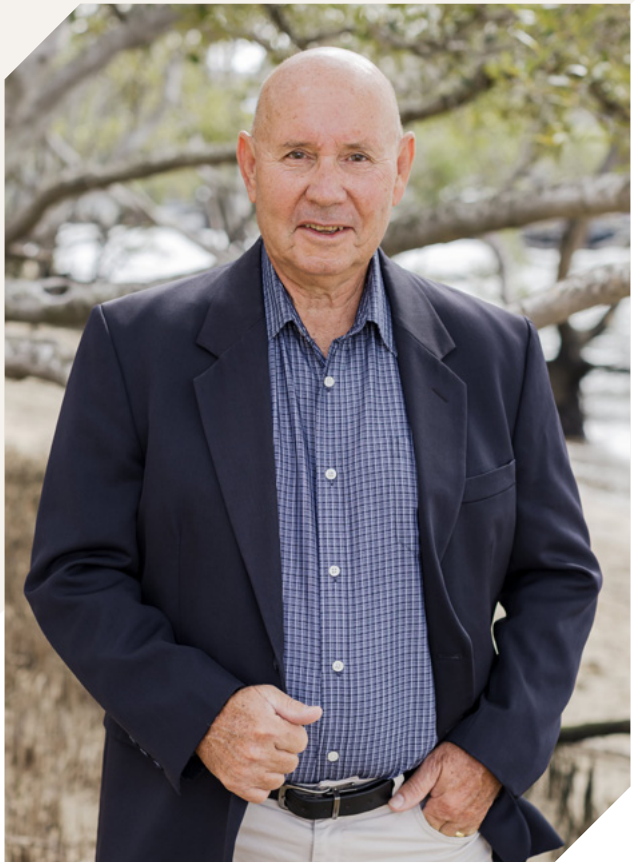
// Acknowledgment of Country

Powering Skills Organisation acknowledges the Traditional Custodians of country throughout Australia, and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander Peoples today.

Chairperson's Message



What an incredible twelve months this has been since our first annual report. It has been exciting to watch the organisation develop and grow. As the Independent Chairperson of Powering Skills Organisation Ltd (PSO), I have been impressed by the passion and skillset engaged to breathe life into PSO, who are the newly established Jobs and Skills Council (JSC) for the Australian energy sector.

PSO is working collaboratively with the Department of Employment and Workplace Relations (DEWR), other JSCs, and industry stakeholders to strengthen the National Vocational and Education and Training System Program for our sectors.

We serve the interests of the Australian energy sector's skills and employment needs by developing, supporting and promoting the energy sector skills development in the areas of electrotechnology, electricity transmission and distribution, rail, electricity generation and gas supply.

Consolidating our governance processes, we are operationally expanding our resource and systems capability to deliver on the four key functions of workforce planning, training product development, implementation, promotion and monitoring, and industry stewardship has been a key focus for 2023/24.

PSO as an organisation has grown from one employee to seventeen, and many months were spent meeting stakeholders and embedding the message of who we are and our priorities. PSO established its Strategic Industry Advisory Body to help guide us on the strategic priorities for the industry.

The new team have worked hard to meet the extremely tight timeframes of the program deliverables. The insight that has gone into stakeholder engagement and the 2024 Workforce Planning Report has given us a clear roadmap of the way ahead and priority focus areas such as diversity in the workforce, access to training, performance of training, and career pathways. I know the sector is in good hands as I see the level of detail going into the planning and doing.

I am extremely proud of the way the new team has engaged and tackled these challenges and obstacles head on to deliver on the 2024 JSC program requirements. We are in good hands.

The Board of Directors is now fully established and comprised of people with a broad range of skills who individually and collectively exercise their judgment to achieve optimum results for the organisation.

Over the last twelve months we have diligently worked to ensure the board has a broad skillset with a diverse range of backgrounds while maintaining our majority independence. The board takes its responsibility for governance, strategic direction, risk, finance, human resources, diversity, and the environment seriously.

The board and board committees met a total of nine (9) times to update the strategic plan, and review and guide the tremendous work, the CEO, management and team have undertaken such as financial control, risk management, people and culture, roadshows, the technical and strategic advisory committees, Insights meetings, and delivery of the 2024 workforce plan and annual activity schedule including the six (6) projects we currently have underway.

We signed off on our strategic charter including vision, role, core functions, reputational and operating values, and risk.

Our voting membership base has expanded from the three founding members (Electrical Trade Union (ETU), Master Electricians Australia (MEA) and National Electrical Contractors Association (NECA) to include an additional nine (9) energy industry stakeholders.

The Board of Directors thank all involved for their extraordinary efforts this year and we look forward to PSO delivering significant outcomes for the energy sector's skills and employment needs in the years ahead.

Greg Skyring,
Chair

CEO's Message

As the CEO of Powering Skills Organisation Ltd (PSO), I am proud to reflect on a year of significant progress toward our vision of Australians powering the nation. Our mission to equip the energy sector with the skills necessary for a net-zero future has gained substantial momentum over the past 12 months.

We began the year by delivering our inaugural Workforce Planning Scan, a comprehensive snapshot of the industry's current state. This scan was instrumental in shaping our strategic focus through the introduction of ADAPT – our five-point priority checklist. This framework has guided our efforts in critical areas: enhancing pathways to trades to attract diverse talent, addressing the capacity and capability of the Vocational Education and Training (VET) system, tackling barriers to commencement and completion rates, and reviewing training packages for both suitability and expansion.

To build on this foundation, we embarked on an ambitious 12-stop roadshow across metropolitan and regional Australia. This national tour allowed us to engage directly with stakeholders, gather invaluable insights, and understand the unique challenges faced by different teams depending on their location and size. We deeply appreciate the time and contributions of all participants, which have been crucial in refining our approach.

We have also established Technical Advisory Groups to provide expert guidance on training packages and identify areas for improvement. Monthly updates have been implemented to keep our audiences informed, and we have initiated several activity projects based on stakeholder feedback. Key areas of focus include exploring a functional Certificate II gateway into the energy sector, consolidating competency development units, pursuing overall qualification reform, and conducting reviews and updates of specific units of competency.

Our commitment to our four key pillars – workforce planning, industry stewardship, training product development, and training implementation, promotion, and monitoring – has enabled us to measure our success effectively and adapt our strategies accordingly.

Furthermore, we have engaged extensively with government bodies, regulators, industry employers, current and transitioning employees, and VET providers. These interactions have been invaluable in aligning our efforts with the broader goals of the sector.

As I reflect on the achievements of this past year, I am both proud of our progress and enthusiastic about the journey ahead. The road to a net-zero future is challenging, but with the continued support and collaboration of our stakeholders, I am confident in our ability to navigate it successfully.

Anthea Middleton,
CEO

A Year In Review

5 Technical Advisory Groups (TAGs)

We organised and facilitated five workshops for our TAGs, fostering expert discussions and gathering crucial feedback.

700+ TAG Attendees

These TAGs saw participation from over 700 industry professionals, underscoring the broad interest and engagement in our initiatives.

23 Conferences

Our team successfully presented at 23 conferences, engaging with key stakeholders and sharing valuable insights.

30 Engagement Events

Held by PSO (TAGs, SIAB, Roadshows and Insights).

6 Major Projects Commenced

We commenced six significant projects focused on training package development, enhancing industry engagement, and workforce planning.

1121

Overall Attendees
at events held by PSO.

12 Energy Pathway Roadshow Locations

Our comprehensive Energy Pathway Roadshow visited 12 locations across the country, connecting with diverse regions and stakeholders.

300 Attendees at Roadshows

The roadshows attracted 300 industry professionals, whose feedback was instrumental in shaping our Workforce Planning Report and refining our strategies.

Director's Report

General information

Information on directors
The names of each person who has been a director during the year and to the date of this report are:

Board of Directors

Greg Skyring
Chair of the Board
Chair of the Nomination Committee

Appointed 20 December 2022

Michael Wright
Appointed 29 March 2022 (second term)

Fiona Scott
Appointed 23 January 2024, resigned 18 March 2024 and appointed 17 May 2024

Sarah Loveday
Appointed 14 November 2023

Dr Anita Talberg
Appointed 16 February 2023

John Kelly
Chair of the Audit and Risk Committee

Appointed 23 January 2024

Scott Olsen
Appointed 17 May 2024

Allen Hicks
Appointed 23 January 2024

Hannah Watts
Appointed 23 January 2024

Zachary Duncalfe
Appointed 23 January 2024

Michael Cullen
Appointed 15 August 2024

Angela Arico
Company Secretary
Appointed 22 February 2024

Retired Directors

Kent Johns
Appointed 20 December 2022, resigned 2 April 2024

Malcom Richards
Appointed 29 March 2022, resigned 16 October 2023

Board Advisors

Kathryn Hester
Board Advisor
Audit and Risk Committee

Principal activities

Established on 29 March 2022, Powering Skills Organisation Ltd (PSO) is a not-for-profit company limited by guarantee. As a Jobs and Skills Council (JSC) for the Energy, Gas, and Renewables sector, PSO is funded by the Australian Government and managed by the Department of Employment and Workplace Relations (DEWR). The Australian Government's commitment to establishing JSCs aims to enhance tripartite leadership in the Vocational Education and Training (VET) system, fostering collaboration among all stakeholders to address skills and workforce challenges.

During the financial year, PSO focused on establishing their workforce and commencing work to advance training and employment activities that support the Australian energy sector. Our primary objective was to develop, support, and promote skills development initiatives across various areas, including electrotechnology, electricity transmission and distribution, rail, electricity generation, and gas supply. These initiatives were carried out according to the strategic directions determined by the Board.

PSO plays a pivotal role in addressing skills and workforce challenges within the energy sector through a tripartite arrangement that includes employers, unions, and governments. Our key responsibilities include:

- Identifying skills and workforce needs: Assessing the requirements of the energy sector, encompassing gas, renewable energy, and electricity generation and distribution.
- Mapping career pathways: Creating clear career pathways across various education sectors.
- Developing VET training products: Designing and refining vocational education and training products to meet industry needs.
- Supporting collaboration: Enhancing training and assessment practices through collaboration between industry and training providers.
- Providing sector intelligence: Acting as a key source of information on issues impacting the sector.

The Australian Government has established a Performance Framework for Year One of the program, requiring PSO to report periodically and be evaluated against the JSC Activity Schedule and performance indicators. Regular meetings, held fortnightly, are conducted with PSO senior management and DEWR to ensure alignment with the performance expectations and to address any emerging issues. Fortnightly meetings are also held with PSO's Chair and CEO to discuss strategic issues.

Members' guarantee

PSO is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to $ NIL for members that are corporations and $ NIL for all other members, subject to the provisions of the company's constitution.

At 30 June 2024 the collective liability of members was $ NIL (2023: $ NIL).

Future developments

Our future developments include:

Enhancing Workforce Data Access
We are creating platforms to give industry partners easy access to comprehensive workforce data. These tools will help analyse trends, identify skill gaps, and forecast demand, enabling informed decision-making and targeted workforce planning.

Addressing VET Workforce Capability and Capacity Constraints
We will collaborate with all stakeholders to identify and close data gaps to clearly articulate the workforce profile. Action and policy recommendations will be prioritised to address this priority skills shortage.

Deepening Industry Engagement
We will strengthen collaboration with industry leaders, training providers, government bodies, and unions through targeted discussions and expanded consultation mechanisms, ensuring our strategies meet the sector's diverse needs.

Developing Best Practice Guidance
In preparation for a net-zero future, we will create best practice guidelines for skills development. Working with experts, we will design frameworks that align with technological advancements, sustainability goals, and regulatory requirements to prepare the workforce for future challenges and innovations.

Through these initiatives, we are committed to building a skilled workforce ready to meet the energy sector's future demands.

Meetings of directors

During the financial year, nine (9) meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

Director	4-Sep-23	15-Sep-23	30-Oct-23	14-Dec-23	22-Feb-24	11-Apr-24	15-May-24	23-May-24	24-Jun-24
G Skyring	Y	Y	Y	Y	Y	Y	Y	Y	Y
M Richards	Y	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
M Wright	Y	Y	Y	Y	Y	Y	N/A	Y	AP
K Johns	Y	Y	Y	Y	Y	N/A	N/A	N/A	N/A
A Talberg	Y	Y	Y	Y	Y	AP	Y	Y	Y
S Loveday	N/A	N/A	Y	Y	Y	Y	N/A	Y	AP
F Scott	N/A	N/A	OBS	OBS	Y	OBS	Y	Y	Y
A Hicks	N/A	N/A	OBS	OBS	Y	Y	N/A	Y	AP
J Kelly	OBS	N/A	OBS	OBS	Y	Y	Y	Y	Y
H Watts	OBS	N/A	OBS	OBS	Y	Y	N/A	Y	Y
Z Duncalfe	OBS	OBS	OBS	OBS	Y	AP	N/A	Y	Y
S Olsen	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y	Y

Attendance codes

Y = Yes AP = Apology N/A = not required to attend OBS = observer

Financial Overview

During the previous financial year, PSO transitioned from its establishment phase to a stable operational state. The Stage Two grant agreement, signed on 30 June 2023, marked a significant milestone as the organisation shifted its focus to advancing its core pillars: industry stewardship, workforce planning, training product development and implementation, and promotion and monitoring. These efforts are concentrated in the sectors of electrotechnology, electricity transmission and distribution, electricity generation and supply, and gas supply.

There were no significant changes in the nature of the Company's activities throughout the financial year, with the exception of bringing business support services in-house. This transition marked our shift away from Apex Superannuation, to whom we extend our gratitude for their invaluable expertise and support during Stage One of the grant agreement.

Similar to other Jobs and Skills Councils, PSO received Stage Two core funding for both FY22/23 and FY23/24 within the same financial year. Although this additional funding was beneficial, it presented certain challenges. To address these, the organisation has strategically allocated the funds over the next two financial years, ensuring ongoing financial stability and job security for our employees.

Late in the financial year the Department revised the core funding model, leading to an approved budget of $10,916,682.20. This budget covers funding for both FY22/23 and FY23/24.

Statement of Profit and Loss and Other Comprehensive Income

As at 30 June 2024.

	Note	2024 $	2023 $
Revenue – Government grants		**13,279,667**	681,785
Finance income		**19,039**	34
Employee benefits expense		**(2,208,908)**	(160,698)
Depreciation and amortisation expense		**(46,831)**	(1,290)
Finance costs		**(2,127)**	(21)
General expenses	4	**(1,645,908)**	(381,349)
Surplus/(deficit) for the year		**9,394,934**	138,462

Statement of Financial Position

As at 30 June 2024.

	Note	2024 $	2023 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	**5,477,012**	219,990
Trade and other receivables	6	**2,341,851**	-
Other financial assets	7	**1,676,332**	5,000
TOTAL CURRENT ASSETS		**9,495,195**	224,990
NON-CURRENT ASSETS			
Property, plant and equipment	8	**272,980**	8,820
Right-of-use assets	9	**276,125**	-
TOTAL NON-CURRENT ASSETS		**549,105**	8,820
TOTAL ASSETS		**10,044,300**	233,810
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	**421,222**	89,526
Employee benefits		**89,683**	5,822
TOTAL CURRENT LIABILITIES		**510,905**	95,348
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		**510,905**	95,348
NET ASSETS		**9,533,396**	138,462
EQUITY			
Retained earnings		**9,533,396**	138,462
TOTAL EQUITY		**9,533,396**	138,462

Statement of Cash Flows

For the Year Ended 30 June 2024.

	Note	2024 $	2023 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipt from customers		**10,944,504**	749,964
Payment to suppliers and employees		**(3,448,074)**	(514,898)
Interest received		**19,039**	34
Net cash provided by operating activities	15	**7,515,470**	235,100
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(587,115)**	(10,110)
Other investing activities		**(1,671,332)**	(5,000)
Net cash used in investing activities		**(2,258,447)**	(15,110)
Net increase in cash and cash equivalents held		**5,257,023**	219,990
Cash at the beginning of the year		**219,990**	-
Cash at the end of the year	5	**5,477,012**	219,990

Director's Declaration

The directors of the Company declare that:

1. The attached financial statements and notes comply with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for profits Commission Act 2012 and associated regulations and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

   a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and

   b. give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the Company.

2. 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.

Director DocuSigned by: 18AAC72E2EDA4F1...

Director Signed by: Scott Olsen 5D5142856270433...

Dated 30 September 2024 | 2:46 PM AEST

30 September 2024 | 1:10 PM AEST

Independent Audit Report

INDEPENDENT AUDITOR'S REPORT

To the members of Powering Skills Organisation Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Powering Skills Organisation Ltd, which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statement, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the financial report of Powering Skills Organisation Ltd is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(a) giving a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the year then ended; and

(b) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 Entity in accordance with the ethical requirements of the Accounting Professional and 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 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 other information. The other information comprises the information included in the Director's Report for the year ended 30 June 2024, but does not include the financial report or our auditor's report thereon.

Our opinion on the financial report does not cover the Director's Report and accordingly we do not express any form of assurance conclusion thereon.

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

phone 61 7 3490 9988 office Unit 3, 27 South Pine Road, Brendale Q 4500 post PO Box 418, Strathpine Q 4500
SRJ Walker Wayland (Audit) Pty Ltd abn 80 150 080 569
Liability limited by a scheme approved under Professional Standards Legislation. An Independent Member of BKR International. An Independent Member of Walker Wayland Australasia Limited.

Responsibilities of 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of 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 Company's ability to continue as a going concern, disclosing as applicable, matters relating 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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 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 the financial report.

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

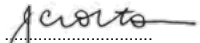
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a 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 Company.
- Conclude on the appropriateness of 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

Independent Audit Report

the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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 our audit.



Jason Croston
SRJ Walker Wayland
Director

Date: 1 October 2024

Address: Unit 3, 27 South Pine Road, BRENDALE QLD 4500

Figures reported are correct as at 30 June 2024.

Acknowledgements
Thank you to everyone who has contributed to the production of this annual report. Your assistance is greatly appreciated.

To find out more about Powering Skills Organisation, visit our website at **poweringskills.com.au**

Disclaimer: The material in this presentation has been prepared by Powering Skills Organisation Ltd ABN 14 657 975 481 (PSO) and is general background information about PSO's activities current as at the date of this presentation. This information is given in summary form and does not purport to be complete. The material contained in this presentation may include information derived from publicly available sources that have not been independently verified. Unless otherwise specified all information is for the year ended 30 June 2024. All financial information in this presentation which is not included in the Financial Report was not subject to independent audit or review by SRJ Walker Wayland. Numbers are subject to rounding and may not fully reconcile.

Powering Skills Organisation Ltd