Australian Government
Registered Organisations Commission

29 November 2022

Michael Unger
President
Civil Contractors Federation
Sent via email: ccfnat@civilcontractors.com
CC: James.Dickson@stannards.com.au

Dear Michael Unger,

Civil Contractors Federation
Financial Report for the year ended 30 June 2022 – (FR2022/111)

I acknowledge receipt of the financial report for the year ended 30 June 2022 for the Civil Contractors Federation. The documents were lodged with the Registered Organisations Commission (**the ROC**) on 25 November 2022.

The financial report has now been filed. The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (**RO Act**) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

You are not required to take any further action in respect of the report lodged. Please note that the financial report for the year ending 30 June 2023 may be subject to an advanced compliance review.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the section 253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the section 253 reporting guidelines and Australian Accounting Standards. Access to this information may be obtained via this link.

If you have any queries regarding this letter, please contact me on (03) 9603 0841 or by email at Mihiri.jayawardane@roc.gov.au.

Yours sincerely,

Mihiri Jayawardane
Registered Organisations Commission

CIVIL CONTRACTORS FEDERATION

ABN 41 639 349 350

FINANCIAL REPORT
FOR THE YEAR ENDED
30 June 2022

Contents

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
FOR THE YEAR ENDED 30 JUNE 2022

I, Michael Unger, being the President of the Civil Contractors Federation (CCF) certify:

- that the documents lodged herewith are copies of the full report for the *Civil Contractors Federation for* the period ended 30 June 2022 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and

- that the full report was provided to members of the reporting unit on 22nd September 2022; and

- that the full report was presented to *a general meeting of members* of the reporting unit on 11th November 2022 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer: ....

Name of prescribed designated officer: Michael Unger..

Title of prescribed designated officer: President...

Dated: 22nd September 2022..

OFFICER DECLARATION STATEMENT

I, Michael Unger, being the President of the Civil Contactors Federation, declare that all activities (including $nil activities) required to be disclosed during the reporting period ended 30 June 2022 have been disclosed in the financial report.

……………………………………………………………

Michael Unger – President, Designated Officer

Dated: 22nd September 2022…………………

Operating Report
for the Year Ended 30 June 2022

The Committee of Management presents its operating report on CCF for the year ended 30 June 2022.

PRINCIPAL ACTIVITIES *S254(2)(A)*

The principal activities of the CCF during the financial year were to promote, protect and advance the interest of the civil construction industry in Australia for the public benefit including being the peak body representing the civil construction industry in Australia.

The CCF operates predominantly in one business and geographical segment, being a representative body of civil construction businesses throughout Australia. It provides professional services, information and advice, industrial relations, industry networking opportunities, training and business certification. The CCF represents the industry to all levels of Government.

RESULTS OF PRINCIPAL ACTIVITIES *S254(2)(A)*

The CCF generated a profit of $21,011 (2021: profit of $280,483). The net assets of CCF grew this year to $898,714. At reporting date, CCF has a working capital surplus of $770,827 and can pay its debts when they fall due.

CCF continues to service state-based CCF Not For Profit companies. CCF also services the general public in all facets of the civil construction industry including: ongoing industrial relations advice, advocacy at a Federal level, training and certification to the wider industry.

SIGNIFICANT CHANGES IN NATURE OF PRINCIPAL ACTIVITIES *S254(2)(A)*

There were no significant changes in the nature of CCF's principal activities during the financial year.

SIGNIFICANT CHANGES IN FINANCIAL AFFAIRS *S254(2)(B)*

No matters or circumstances arose during the reporting year which significantly affected the financial affairs of the CCF, except as otherwise disclosed in this report.

Operating Report for the Year Ended 30 June 2022

OFFICERS OR MEMBERS WHO ARE SUPERANNUATION FUND TRUSTEE(S) OR DIRECTOR OF A COMPANY THAT IS A SUPERANNUATION FUND TRUSTEE WHERE BEING A MEMBER OR OFFICER OF A REGISTERED ORGANISATION IS A CRITERION FOR THEM HOLDING SUCH POSITION *S254(2)(D)*

Nil.

NUMBER OF MEMBERS *S254(2)(f) and RO reg 159(a)*

The number of persons who, at the end of the financial year, were recorded on the Register of members was 1,146 Contractor Members and 648 Associate Members.

NUMBER OF EMPLOYEES *S254(2)(f) and RO reg 159(b)*

The number of persons who were, at the end of the financial year, employees of the CCFNO was 4 (2021: 4).

NATIONAL BOARD MEMBERS *S254(2)(f) and RO reg 159(c)*

The persons who held office as members of the Board of the CCF during the financial year were:

Title	Name	Period of Office
National President	Michael Unger	1/7/2021 to 30/6/2022
Treasurer	Nick Zardo	1/7/2021 to 30/6/2022
Vice President	Michael Boyle	12/11/2021 to 30/06/2022
Board Member	Michael Cull	1/7/2021 to 30/6/2022
Board Member	Paul Davison	1/7/2021 to 16/6/2022
Board Member	David Della Bona	1/7/2021 to 30/6/2022
Board Member	Bill Abbott	1/7/2021 to 30/6/2022
Board Member	Antony Damiani	12/11/2021 to 30/06/2022
Board Member	David Moody	12/11/2021 to 30/06/2022
Vice President	Peter Kendall	1/7/2021 to 12/11/2021
Board Member	Steve Traicevski	1/7/2021 to 12/11/2021
Board Member	Charles Hatcher	16/6/22 to 30/6/2022

Operating Report
for the Year Ended 30 June 2022

MANNER OF RESIGNATION *S254(2)(c)*

Members may resign from the CCF in accordance with Section 174 of the Fair Work (Registered Organisations) Act 2009 and Rule 9 of the Civil Contractors Federation Constitution and Rules, which reads as follows:

"9 - RESIGNATION OF MEMBERS

(a) A Member may resign from the Federation by written notice addressed and delivered to the Chief Executive Officer.

(b) A notice of resignation from membership of the Federation takes effect:

(i) at the end of two weeks after the notice is received by the Federation: or

(ii) on the day specified in the notice;

whichever is later.

(c) Any dues payable but not paid by a former Member of the Federation in relation to a period before the Member's resignation from the Federation took effect, may be sued for and recovered in the name of the Federation, in a court of competent jurisdiction, as a debt due to the Federation.

(d) A notice delivered to the person mentioned in sub rule (1) shall be taken to have been received by the Federation when it was delivered.

(e) A notice of resignation that has been received by the Federation is not invalid because it was not addressed and delivered in accordance with sub rule (a) of Rule 9.

(f) A resignation from membership of the Federation is valid even if it is not effected in accordance with this section if the Member is informed in writing by or on behalf of the Federation that the resignation has been accepted."

Signature of designated officer: ....

Name and title of designated officer: Michael Unger, President

Dated: 22nd September 2022..

National Board Statement
for the Year Ended 30 June 2022

On 22nd September 2022 the Civil Contractors Federation Committee of Management passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2022:

The Committee of Management declares in relation to the GPFR that in its opinion:

(a) the financial statements and notes comply with the Australian Accounting Standards;

(b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);

(c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;

(d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and

(e) during the financial year to which the GPFR relates and since the end of that year:

   (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and

   (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and

   (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and

   (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and

   (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act it has been provided to the member or Commissioner; and

   (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

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

Signature of designated officer: ....

Name and title of designated officer: Michael Unger, President..........

Dated: ....22nd September 2022..

stannards
ACCOUNTANTS and ADVISORS

AUDITOR'S INDEPENDENCE DECLARATION
TO THE BOARD OF THE
CIVIL CONTRACTORS FEDERATION

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2022 there have been: –

(i) no contraventions of the auditor independence requirements in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Stannards Accountants & Advisors
1/60 Toorak Road, South Yarra VIC 3141

James Dickson
Registered Company Auditor (389435)
Holder of Current Public Practice Certificate
Approved Auditor (FWC Act and Regulations – AA2021/18)

Dated: 22nd September 2022

Stannards Accountants and Advisors Pty Ltd
A.C.N. 006 857 441
Postal: PO Box 581, South Yarra, Vic 3141
Level 1, 60 Toorak Road, South Yarra, Vic 3141
Tel: (03) 9867 4433 Fax: (03) 9867 5118
Email: advisors@stannards.com.au
stannards.com.au

Partners
Marino Angelini, CA
Michael Shulman, CA
Peter Angelini, CA
Nick Jeans, CPA
James Dickson, CA

Section 255(2A) Expenditure Report
For the Year ended 30 June 2022

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2022.

	2022 $	2021 $
CATEGORIES OF EXPENDITURE		
Remuneration and other employment-related costs and expenses - employees	486,377	472,571
Advertising	-	-
Operating Costs	749,875	751,861
Donations to Political Parties	-	-
Legal Costs	-	9,753
Total	**1,236,252**	**1,234,185**

Signature of designated officer: ....

Name and title of designated officer: Michael Unger, President..

Date: ……22nd September 2022…………………………

Statement of Profit or Loss for the Year Ended 30 June 2022

	Note	2022 $	2021 $
Revenue	3	1,257,263	1,514,668
Accountancy Fees	4b	(25,000)	(33,900)
Audit Fees	4b	(11,500)	(15,500)
Bad Debts	4a	-	-
Computer and IT Costs		(26,302)	(28,137)
Depreciation	4c	(458,268)	(478,691)
Functions and Events Expenses		(85,718)	-
Sponsorship Expenses		-	(2,182)
Insurance		(12,409)	(9,705)
Meeting Expenses		-	-
National Communication Costs		(1,128)	(1,791)
National Lobbying / Representation / Travel		(8,115)	(6,081)
Interest Expense AASB 16		(9,708)	(9,708)
Amortisation		(45,492)	(45,492)
Salaries & Other Benefits - Officeholders		-	-
Salaries & Other Benefits - Employees	4e	(486,377)	(472,571)
Subscriptions & Publications		(16,404)	(10,262)
Other Expenses	4d	(49,831)	(98,158)
Profit from ordinary activities before income tax expense		21,011	302,490
Significant Items of Income and Expense	4g	-	(22,007)
Profit before income tax		21,011	280,483
Income tax expense	1a	-	-
Profit after income tax expense attributable to the Federation		21,011	280,483

The accompanying notes form part of the financial statements

Statement of Comprehensive Income
for the Year Ended 30 June 2022

	2022 $	2021 $
Profit for the period	21,011	280,483
Other Comprehensive Income for the period	-	-
Total Comprehensive Income for the period	21,011	280,483

The accompanying notes form part of the financial statements

Statement of Financial Position as at 30 June 2022

	Note	2022 $	2021 $
CURRENT ASSETS			
Cash and cash equivalents	5	784,691	732,957
Trade and other receivables	6	164,481	198,402
TOTAL CURRENT ASSETS		949,172	931,359
NON-CURRENT ASSETS			
Intangibles	14	94,771	140,263
Property, Plant and equipment	7	15,825,084	16,283,352
TOTAL NON-CURRENT ASSETS		15,919,855	16,423,615
TOTAL ASSETS		**16,869,027**	**17,354,974**
CURRENT LIABILITIES			
Trade and other payables	8	75,667	91,462
Provisions	9	61,362	52,569
Lease liability	14	41,316	45,026
TOTAL CURRENT LIABILITIES		178,345	189,057
NON-CURRENT LIABILITIES			
Related Party Loans	12(g)	15,721,484	16,180,124
Lease liability	14	70,484	108,090
TOTAL NON-CURRENT LIABILITIES		15,791,968	16,288,214
TOTAL LIABILITIES		**15,970,313**	**16,477,271**
NET ASSETS		**898,714**	**877,703**
MEMBERS' FUNDS			
Accumulated Surplus		898,714	877,703
TOTAL MEMBERS' FUNDS		**898,714**	**877,703**

The accompanying notes form part of the financial statements

Statement of Changes in Members' Fund for the Year Ended 30 June 2022

	2022 $	2021 $
Balance at beginning of financial year	877,703	597,220
Surplus attributable to members	21,011	280,483
Balance at end of financial year	898,714	877,703

The accompanying notes form part of the financial statements

Statement of Cash Flows
for the Year Ended 30 June 2022

	Note	2022 $	2021 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		273,969	319,930
Interest Received		390	104
Receipts from CCF entities	12f	236,477	1,089,137
Payments to CCF entities	12f	-	(572,887)
Payments to suppliers		(417,786)	(527,011)
Net cash provided by operating activities	13b	**93,050**	**309,273**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property		-	700,000
Net cash (used) in investing activities		**-**	**700,000**
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease payments (net)		(41,316)	(41,081)
Loans (Advanced)/Repaid		-	(650,062)
Net cash (used) in financing activities		**(41,316)**	**(691,143)**
Net (decrease)/increase in cash held		51,734	318,130
Cash at the beginning of the financial year		732,957	414,827
Cash at the end of the financial year	13a	**784,691**	**732,957**

The accompanying notes form part of the financial statements

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Civil Contractors Federation is a 'not for profit' entity.

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

The financial report covers Civil Contractors Federation as an Individual entity. Civil Contractors Federation is a Federation incorporated in the Australian Capital Territory under the Fair Work (Registered Organisations) Act 2009.

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

Accounting Policies

a. **Income Tax**
The CCF is registered under the Fair Work (Registered Organisations) Act 2009 and is believed to be exempt from income tax including capital gains tax, by virtue of the provisions of s.50-15 of the Income Tax Assessment Act 1997.

b. **Cash and cash equivalents**
Cash and cash equivalents include cash on hand and deposits held at-call with banks or financial institutions, investments in money market instruments maturing in less than three months, net of bank overdrafts.

c. **Plant and Equipment**

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

Cost and valuation

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

The carrying amount of plant and equipment is reviewed annually by the Board to ensure it is not in excess of the recoverable amount of those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to present value in determining recoverable amounts.

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Accounting Policies (cont'd)

The depreciation rates used for each class of assets are:

Class of Fixed Assets	Straight Line Depreciation Rate
Plant & Equipment	33%
Buildings	2.5%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

The assets' carrying value is written down immediately to recoverable amount if the carrying amount is greater than estimated recoverable amount.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount. These gains and losses are included in the Statement of Profit and Loss.

d. Trade and other Receivables

Trade and other receivables are recognised initially at fair value and generally due for settlement within 30 days.

For trade receivables that do not have a significant financing component, the Federation applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Federation does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Federation has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Federation recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Federation expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Federation considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Federation may also consider a financial asset to be in default when internal or external information indicates that the Federation is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Accounting Policies (cont'd)

e. Trade and other Payables

Trade payables and other accounts payable are recognised when CCF becomes obliged to make future payments resulting from the purchase of goods and services. Trade accounts payable are normally settled within 30 days.

f. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Federation becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Federation commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs except where the instrument is classified as "at fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15: *Revenue from Contracts with Customers*.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in the profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Accounting Policies (Cont'd)

f. Financial Instruments (cont'd)

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit-taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial Assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Accounting Policies (Cont'd)

f. Financial Instruments (cont'd)

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The entity initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different basis;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the entity made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the CCF's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities, is recognised in profit or loss.

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Accounting Policies (Cont'd)

f. Financial Instruments (cont'd)

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (ie has no practical ability to make unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which the entity elected to classify under fair value through comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluaton reserve is not reclassified to profit or loss, but is transferred to retained earnings.

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets;
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the profitability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The entity used the following approaches to impairment, as applicable under AASB9:

- the general approach;
- the simplified approach;

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Accounting Policies (Cont'd)

f. Financial Instruments (cont'd)

- the purchased or originated credit-impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the entity assesses whether the financial instruments are credit-impaired, and:

- If the credit risk of the financial instrument has increased significantly since initial recognition, the entity measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- If there is no significant increase in credit risk since initial recognition, the entity measures the loss allowance for the financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used taking into consideration various data to get to an expected credit loss (ie delivery of its customer base, appropriate groupings of its historical loss experience, etc).

Purchased or originated credit-impaired approach

For financial assets that are considered to be credit-impaired (not on acquisition or originations), the CCF measures any change in lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (eg default or past due event);
- a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- the likelihood that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Accounting Policies (Cont'd)

f. Financial Instruments (cont'd)

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the entity assumes that the credit risk has not increased significantly since initial recognition and, accordingly, can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the entity applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has a strong capacity to meets its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Recognition of expected credit losses in financial statements

At each reporting date, the CCF recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit and loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

Financial instruments are initially measured at cost on trade date, which includes the transaction costs, when the related contractual rights or obligations exist.

Subsequent to the initial recognition, the Board assess whether there is objective evidence that a financial instrument has been impaired. A prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen, impairment losses are recognised In the Income Statement.

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Accounting Policies (Cont'd)

g. Employee Benefits

Short-term employee benefits

Provision is made for CCF's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and vesting sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The CCF's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

Long-term employee benefits

Provision is made for employee's long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The CCF's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where it does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

No provision is made for sick leave as there is no vested liability to pay for accumulated leave and the sick leave to be taken in future reporting periods is not expected to be greater than entitlements which are expected to accrue in those periods.

Superannuation

Contributions are made by the CCF to employee superannuation funds and are expensed when incurred. The CCF is not obliged to contribute to these funds other than to meet its liabilities under the superannuation guarantee system and is under no obligation to make up any shortfall in the funds' assets to meet payments due to employees.

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Accounting Policies (Cont'd)

h. Leases

The Federation assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Federation as a lessee

The Federation applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Federation recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Federation recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Federation at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Federation recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Federation and payments of penalties for terminating the lease, if the lease term reflects the Federation exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Federation uses the implicit the interest rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Notes To and Forming Part of the Financial Report for the Period Ended 30 June 2022

Note 1: Summary of Significant Accounting Policies

i. 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 Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense and is included in receivables and payables in the Statement of Financial Position.

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

j. Revenue

The Federation enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, grants, and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the Federation has a contract with a customer, the Federation recognises revenue when or as it transfers control of goods or services to the customer. The Federation accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

Membership subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Federation.

As there is only one distinct membership service promised in the arrangement, the Federation recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Federation's promise to stand ready to provide assistance and support to the member as required.

For member subscriptions paid annually in advance, the Federation has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Federation at their standalone selling price, the Federation accounts for those sales as a separate contract with a customer.

Notes To and Forming Part of the Financial Report for the Period Ended 30 June 2022

Note 1: Summary of Significant Accounting Policies

j. Revenue (cont'd)

Levies

Levies paid by a member (or other party) in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Federation transfer the services.

In circumstances where the criteria for a contract with a customer are not met, the Federation will recognise levies as income upon receipt.

Income of the Federation as a Not-for-Profit Entity

Consideration is received by the Federation to enable the entity to further its objectives. The Federation recognises each of these amounts of consideration as income when the consideration is received (which is when the Federation obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- the Federation's recognition of the cash contribution does not give to any related liabilities.

During the year, the Federation received cash consideration from the following arrangements whereby that consideration will be recognised as income upon receipt:

- certain government grants.

Income recognised from transfers

Where, as part of an enforceable agreement, the Federation receives consideration to acquire or construct a non-financial asset such as property, plant and equipment to an identified specification and for the Federation's own use, a liability is recognised for the obligation to acquire or construct the asset. Income is recognised as the obligation to acquire or construct the asset is satisfied, which is typically over time. The asset that is being acquired or constructed is recognised in accordance with the policy on property, plant and equipment.

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

Interest income

Interest revenue is recognised on an accrual basis using the effective interest method.

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Accounting Policies (Cont'd)

k. Operating Segment

The CCF is incorporated under the Fair Work (Registered Organisations) Act 2009 and domiciled in Australia.

The CCF operates predominantly in one business and geographical segment, being a representative body of civil engineering contractors, providing professional services, information and advice including industrial relations advice, dispute resolution, training (business, occupational health and safety), changes to acts and legislation, changes to award rates of and work practices to members of the CCF throughout Australia.

l. Fair Value of Assets and Liabilities

The CCF measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the CCF would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.
The fair value of liabilities and the CCF's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets.

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Accounting Policies (Cont'd)

Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

m. Capitation Fees / National Office Contributions

These fees are recognised on an accruals basis, and recorded as income in the year to which they relate.

n. Critical Accounting Estimates and Judgements

The Committee of Management evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Federation.

Key Estimates – Impairment

The Federation assesses impairment at each reporting date by evaluating conditions specific to it that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined and reflected in the Financial Report.

o. Acquisition of assets and or liabilities that do not constitute a business combination

CCF did not acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, or a restructure of the branches of the organisation, or a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

p. Contingent liabilities and contingent assets

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

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

q. New Accounting Standards for Application in Future Periods

There are no new Accounting Standards issued by the AASB that are not yet mandatorily applicable to the Federation, that are expected to have a significant impact on the Federation when adopted in future periods. There has been no change in accounting policies between years as a result of new pronouncements becoming operative in 2022.

r. Information to be provided to Members or Commissioner, Registered Organisations Commission

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

Information to be provided to members or Commissioner:

1. A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

2. The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

3. A reporting unit must comply with an application made under subsection (1).

NOTE 2: FUND ANALYSIS

For the year ended 30 June 2022, there was no applicable fund or account operated in respect of compulsory levies, voluntary contributions or required by the rules of the Federation and there was no transfer and/or withdrawal from a fund, account, asset or controlled entity which is kept for a specific purpose except as disclosed in the Statement of Charges in Equity.

Except as disclosed in the Statement of Charges in Equity there was no balance held within a general fund, nor any compulsory or voluntary contributions and funds invested in specific assets.

Notes to the Financial Statements for the Year Ended 30 June 2022

	2022 $	2021 $
NOTE 3: REVENUE		
Operating activities:		
Sponsorships	150,000	222,320
National Office Contributions (Capitations – refer note 12)	631,740	630,223
Functions and Events	-	-
Rental Income - Properties	458,640	476,059
Financial Support	-	-
Other Revenue from another reporting unit	-	-
Revenue Derived from Undertaking Recovery of Wages Activity	-	-
Interest Received	390	104
Donations > $1,000	-	-
Donations < $1,000	-	-
Grants > $1,000	-	-
Grants < $1,000	-	-
Member Subscriptions	-	-
Compulsory & Voluntary Levies	-	-
Publications Income	-	4,804
Other Income	894	7,179
Other Income – ATO Tax Incentives	-	50,000
ACIRT Board Fees	15,599	20,421
Gain on Disposal of Sale of Property	-	103,558
Total Revenue	1,257,263	1,514,668

All revenue is sourced in Australia. There are no unsatisfied performance obligations.	2022 $	2021 $
Revenue from contracts with customers has been disaggregated on the following basis:		
- Revenue from contracts with customers	-	-
Other Income		
- CCF related entities	1,090,380	1,106,282
- Government	-	50,000
- Other Persons	166,883	358,386
Total Revenue	1,257,263	1,514,668

NOTE 4: SURPLUS FROM ORDINARY ACTIVITIES

The operating profit / (loss) of the CCF before income tax expense has been determined after:

	2022 $	2021 $
a. Bad and Doubtful Debts/ Credit Losses		
Bad debts written off	-	-
Provision for doubtful debts	-	-
	-	-
b. Auditor's Remuneration – audit of financial statements		
Accounting fees – SAA	25,000	33,900
Auditor's remuneration – Financial Statement Audit (other fees: $nil (2021: $nil))	11,500	15,500
	36,500	49,400

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 4: SURPLUS FROM ORDINARY ACTIVITIES (cont'd)

	2022 $	2021 $
c. Depreciation and amortisation		
Plant and equipment	-	2,375
Buildings	458,268	476,316
	458,268	478,691
d. Other expenses comprise:		
Advertising and Promotion	-	-
Bank charges	431	4,675
Cleaning	-	2,801
Consultancy fees	7,407	28,700
Compulsory & Voluntary Levies	-	-
Interest paid	-	7,530
Data, communication and software support	10,978	13,397
National board and committee costs	15,024	11,011
Photocopier / printer costs	4,168	99
Repairs and maintenance	797	1,179
Legal costs – Litigation	-	-
Legal costs – Consultation (Other Matters)	-	9,753
Stationery and printing	-	75
Sundry Costs	11,026	18,938
Penalties – via RO Act or the Fair Work Act 2009	-	-
Consideration to Employers for Payroll Deductions of Membership Subscriptions	-	-
Attendance Allowance / Fees – Meetings & Conferences	-	-
Capitation Fees and other expenses to another reporting unit	-	-
Conference Expenses	-	-
Donations < $1,000	-	-
Donation > $1,000	-	-
Grants < $1,000	-	-
Grants > $1,000	-	-
Affiliation Fees	-	-
	49,831	98,158
e. Employee related expenses		
Salaries	442,391	407,843
Superannuation	43,986	40,151
Separation and Redundancy Payments	-	-
Payroll Tax	-	-
Training and recruitment	-	-
Leave and Other Entitlements	-	24,577
	486,377	472,571

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 4: SURPLUS FROM ORDINARY ACTIVITIES (cont'd)

f. Expenses – Financial Affairs Administered by Other Entities

For the financial year ended 30 June 2022, costs were paid to Stannards Accountants & Advisors Pty Ltd incurred relating to bookkeeping services for CCF.

Monthly invoicing occurs for this service. For the financial year ended 30 June 2022, a total of $25,000 was payable to this entity (2021: $33,900).

	2022 $	2021 $
g. Significant Items		
Restructuring costs	-	(22,007)
	-	**(22,007)**

	2022 $	2021 $
NOTE 5: CASH AND CASH EQUIVALENTS		
Current		
Cash at bank	784,691	732,957

The weighted average interest rate for cash as at 30 June 2022 is 0.30% (2021: 1.00%)

	2022 $	2021 $
NOTE 6: TRADE AND OTHER RECEIVABLES		
a. Current		
Debtors	62,988	188,431
CCF (Australia) Ltd	97,093	-
Other Debtors and Prepayments	-	5,571
Security Deposit	4,400	4,400
	164,481	198,402

The credit loss provision was $nil (2021: $nil) and there were no movements during the year.
No receivables were recognised at reporting date for contracts with customers (2021: $nil). Revenue of $150,000 (2021: $222,320) was recognised arising from sponsorship agreements, all performance obligations being satisfied during the year. There are no contract liabilities for unperformed obligations at year end (2021:$nil).
All receivables were less than 30 days old.
No significant credit risk exists with any single counterparty, nor is there any collateral over receivables.

Notes to the Financial Statements for the Year Ended 30 June 2022

	2022 $	2021 $
NOTE 7: PROPERTY, PLANT & EQUIPMENT		
Land – at cost	6,053,005	6,053,005
Buildings – at cost	15,307,511	15,307,511
Less: Accumulated depreciation	(5,535,432)	(5,077,164)
	9,772,079	10,230,347
Plant and equipment and furniture and fittings – at cost	19,985	19,985
Less: Accumulated depreciation	(19,985)	(19,985)
	-	-
Total – net book value	15,825,084	16,283,352

	2022 $	2021 $
Plant and equipment and furniture and fittings		
Carrying amount at beginning of the year	-	2,375
Additions	-	-
Disposals	-	-
Amortisation / Depreciation expense	-	(2,375)
Carrying amount at end of the year	-	-
Buildings		
Carrying amount at beginning of the year	10,230,347	11,303,105
Disposals/Sale	-	(596,442)
Amortisation / Depreciation expense	(458,268)	(476,316)
Carrying amount at end of the year	9,772,079	10,230,347
Land		
Carrying amount at beginning of the year	6,053,005	6,053,005
Disposals	-	-
Amortisation / Depreciation expense	-	-
Carrying amount at end of the year	6,053,005	6,053,005
Total	15,825,084	16,283,352

In 2019, Land and buildings were transferred to CCF by the disbanded branches at "written down value" at the date of the transfer. The property values at transfer date and reporting date are believed to approximate "fair market value". Properties have not been subject to formal independent valuations, however, due regard has been by the CCF to "active market prices" of similar properties in terms of nature, size, condition and location.

Notes to the Financial Statements for the Year Ended 30 June 2022

	2022 $	2021 $
NOTE 8: TRADE AND OTHER PAYABLES		
a. Current		
Trade Creditors *	3,710	17,862
Sundry Payables	71,957	73,600
	75,667	91,462

*$Nil payable to legal advisors for litigation and other matters (2021: $Nil)

b. Terms and Conditions

Creditors and other payables are settled within the terms of payments offered, which is usually within 30 days. These balances are unsecured and no interest is applicable on these accounts. All payables are expected to be settled within 12 months.

Amount payable to related parties are set out in Note 12.

NOTE 9: PROVISIONS	2022 $	2021 $
Current		
Provision for Annual Leave	61,362	52,569
Provision for Long Service Leave	-	-
	61,362	52,569
Number of employees at year end	4	4

Of the amounts owing above, they are payable as follows:-

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	2022 $	2021 $	2022 $	2021 $	2022 $	2021 $
Officeholders	-	-	-	-	-	-
Other Employees	61,362	52,569	-	-	61,362	52,569
Total	61,362	52,569	-	-	61,362	52,569

	Separation and Redundancy Provisions		Other Employee Provisions		Total	
	2022 $	2021 $	2022 $	2021 $	2022 $	2021 $
Officeholders	-	-	-	-	-	-
Other Employees	-	-	-	-	-	-
Total	-	-	-	-	-	-

Provision for Employee Benefits
Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the CCF does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the CCF does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service

NOTE 10: EMPLOYEE BENEFITS

Employee benefits paid/accrued during the year	**Elected Officials (Office holders)**		**Employees (other than Elected Officials)**		**Total**	
	2022 $	2021 $	2022 $	2021 $	2022 $	2021 $
Wages and Salaries	-	-	433,598	407,843	433,598	407,843
Annual Leave and	-	-	8,793	24,577	8,793	24,577
Long Service Leave	-	-	-	-	-	-
Redundancy Payments	-	-	-	-	-	-
Payroll Tax	-	-	-	-	-	-
Superannuation	-	-	43,986	40,151	43,986	40,151
Total	-	-	486,377	472,571	486,377	472,571

No bonuses or share based payments were made to office holders/employees in 2022 or 2021.

NOTE 11: FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies
The CCF's financial instruments consist mainly of deposits with banks, short term investments and accounts receivable and payable.

The CCF does not have any derivative instruments at 30 June 2022.

i. **Terms, Conditions and Accounting Policies**
The CCF's accounting policies are included in Note 1, while the terms and conditions, including the effective weighted average interest rate of each class of financial asset and financial liability both recognised and unrecognised at the balance date are included under the appropriate note for that instrument.

ii. **Treasury Risk Management**
The Committee members meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

Notes to the Financial Statements for the Year Ended 30 June 2022

iii. Financial Risk Exposures and Management

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

Liquidity risk

The CCF manages this risk by monitoring its credit terms on trade debtors.

Interest rate risk

The CCF has performed a sensitivity analysis relating to its exposure to interest rates risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.

As at 30 June 2022, the effect on profit and equity as a result of the changes in interest rates with all other variables remaining constant would be as follows:

	2022 $	2021 $
Change in profit/(loss)		
Increase in interest rate by 1%	6,729	5,798
Decrease in interest rate by 1%	(6,729)	(5,798)
Change in equity		
Increase in interest rate by 1%	6,729	5,798
Decrease in interest rate by 1%	(6,729)	(5,798)

No sensitivity analysis has been performed on foreign currency risk as the CCF is not materially exposed to foreign currency fluctuations.

Interest Rate Risk

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

	Weighted Average Effective Interest Rate %	Floating Interest Rate $	Fixed Interest Rate Maturities: 1 year or less $	1 to 5 years $	Over 5 years $	Non Interest Bearing $	Total $
30 June 2022							
Assets:							
Cash	1.0	784,691	-	-	-	-	784,691
Trade and Sundry Debtors		-	-	-	-	164,481	164,481
		784,691	-	-	-	164,481	949,172
Liabilities:							
Sundry Creditors & Finance Liabilities	5.0	-	(41,316)	(70,484)	-	(75,667)	(187,467)
			(41,316)	(70,484)	-	(75,667)	(187,467)
Net financial assets		784,691	(41,316)	(70,484)	-	88,814	761,705

Notes to the Financial Statements for the Year Ended 30 June 2022

iii. Financial Risk Exposures and Management

	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate Maturities				
			1 year or less	1 to 5 years	Over 5 years	Non Interest Bearing	Total
	%	$	$	$	$	$	$
30 June 2021							
Assets:							
Cash	1.0	732,957	-	-	-	-	732,957
Trade and Sundry Debtors		-	-	-	-	198,402	198,402
		732,957	-	-	-	198,402	931,359
Liabilities:							
Sundry Creditors & Other Liabilities	5.0	-	(45,026)	(108,090)	-	(91,462)	(244,578)
		-	(45,026)	(108,090)	-	(91,462)	(244,578)
Net financial assets		732,957	(45,026)	(108,090)	-	106,940	686,781

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 of those assets, net of any provisions for doubtful debts, as disclosed in the Statement of Financial Position and notes to the financial report.

The CCF believes it is not materially exposed to any individual credit risk on any instrument.

iv. Net Fair Values

The aggregate net fair values and carrying amount of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to the financial statements.

NOTE 12: RELATED PARTIES

a. National Office Board members

The names of the members of the CCF Board who held office during the year are as follows:

Michael Unger, Nick Zardo, Michael Cull, Paul Davison, David Della Bona, Bill Abbott, Michael Boyle, Antony Damiani, David Moody, Charles Hatcher, Peter Kendall and Steve Traicevski.

Members of the CCF Board received no attendance fees during the year, nor did they accrue any entitlements.

The officeholders received no 'non cash' benefits (2021: $nil). No officeholder of CCF during the year and/or the prior year had any material personal interest in a matter that he/she has or did acquire, or a relative of the officeholder has or did acquire.

No officeholder or officer of the CCF (this year or last year) received any remuneration because they were a member of, or held position with a Board or peak council because: -

i) The officeholder held such a position with the Board or peak council only because they were an officeholder of the CCF; or
ii) They were nominated for the position by the CCF; or
iii) They received remuneration from any third party, in connection with the performance of their duties as an officeholder of the CCF.

	2022 $			2021 $		
b. Key Management Personnel Remuneration	**Short Term Benefits** (Salary) $	**Post Employment Benefits** (Superannuation) $	**Total** $	**Short Term Benefits** (Salary) $	**Post Employment Benefits** (Superannuation) $	**Total** $
Total Compensation	282,734	27,773	310,507	270,305	25,679	295,984

	2022 $			2021 $		
c. Annual Leave and Long Service Leave Accrued for Key Management Personnel at end of the Year	**Annual Leave** $	**Long Service Leave** $	**Total** $	**Annual Leave** $	**Long Service Leave** $	**Total** $
Total Leave Provision	43,055	-	43,055	22,322	-	22,322

No termination benefits or share based payments were received (2021: $nil).

d. Transactions with National Office, Branches and Related Entities

Entities related to CCF Board members paid membership fees, received training, purchased statutory awards and updates from the entity during the year on the same commercial terms and conditions offered to all other members.

Notes to the Financial Statements for the Year Ended 30 June 2022

e. Related Party balances at year end

Amounts receivable/(payable) at reporting date – CCF state-based companies	2022 $	2021 $
Victoria	12,916	21,940
Queensland	-	8,722
South Australia	14,405	13,095
Western Australia	-	3,117
New South Wales	12,819	29,700
Northern Territory	(315)	(287)
Tasmania	5,389	4,900
Australian Capital Territory	-	-
Australia	97,093	-
	142,307	81,187

f. Balance Reconciliation- related entities

	2022	2021
Victoria		
Carrying amount at beginning of the year	21,940	11,742
CCF Levy income	-	122,371
Sundry income	-	3,593
Sundry charges	-	(281)
Receipts	(9,024)	(115,765)
Payment made	-	280
Carrying amount at end of the year	12,916	21,940
Queensland		
Carrying amount at beginning of the year	8,722	98,146
CCF Levy income	-	104,662
Sundry income	-	138,175
Sundry charges	(8,722)	(357,591)
Receipts	-	(332,261)
Payment made	-	357,591
Carrying amount at end of the year	-	8,722
South Australia		
Carrying amount at beginning of the year	14,405	31,108
CCF Levy income	-	196,997
Sundry income	-	1,310
Sundry charges	-	(109,602)
Receipts	-	(215,841)
Payments made	-	110,433
Carrying amount at the end of the year	14,405	14,405
Western Australia		
Carrying amount at beginning of the year	-	-
CCF Levy income	-	41,021
Sundry income	-	-
Sundry charges	-	(100,403)
Receipts	-	(41,021)
Payment made	-	100,403
Carrying amount at end of the year	-	-

Notes to the Financial Statements for the Year Ended 30 June 2022

	2022 $	2021 $
NSW		
Carrying amount at beginning of the year	29,700	18,011
CCF Levy income	-	117,003
Sundry income	201,850	232,232
Sundry charges	-	(503)
Receipts	(218,731)	(337,546)
Payments made	-	503
Carrying amount at the end of the year	12,819	29,700
Northern Territory		
Carrying amount at beginning of the year	(315)	(315)
CCF Levy income	-	20,140
Sundry income	-	-
Sundry charges	-	-
Receipts	-	(20,140)
Payment made	-	-
Carrying amount at end of the year	(315)	(315)
Tasmania		
Carrying amount at beginning of the year	5,389	3,923
CCF Levy income	-	17,584
Sundry income	-	-
Sundry charges	-	(3,677)
Receipts	-	(16,118)
Payment made	-	3,677
Carrying amount at end of the year	5,389	5,389
ACT		
Carrying amount at beginning of the year	-	-
CCF Levy income	-	10,445
Sundry income	-	-
Sundry charges	-	-
Receipts	-	(10,445)
Payment made	-	-
Carrying amount at end of the year	-	-
Australia		
Carrying amount at beginning of the year		-
Membership Contributions ($631,740) and Sponsorships income ($150,000)	781,740	-
Sundry charges	(684,647)	-
Receipts	-	-
Payment made	-	-
Carrying amount at end of the year	97,093	-

No payments (except as noted herein) to a former related party of CCF occurred for the period to 30 June 2022.

Notes to the Financial Statements for the Year Ended 30 June 2022

g. Related Party Payables at reporting date (arising from establishment of state-based companies)

	2022	2021
	$	$
CCF (Vic) Ltd	2,077,583	2,140,883
CCF (Qld) Ltd	5,633,729	5,813,729
CCF (SA) Ltd	6,173,522	6,361,022
CCF (WA) Ltd	1,836,650	1,864,490
	15,721,484	16,180,124

	2022	2021
CCF (Vic) Ltd		
Carrying amount at beginning of year	2,140,883	2,204,183
Rent	(63,300)	(63,300)
Loan – 30 June 2022	2,077,583	2,140,883
CCF (Qld) Ltd		
Carrying amount at beginning of year	5,813,729	6,711,210
Sale of Property	-	(700,062)
Rent	(180,000)	(197,419)
Loan – 30 June 2022	5,633,729	5,813,729
CCF (SA) Ltd		
Carrying amount at beginning of year	6,361,022	6,548,522
Rent	(187,500)	(187,500)
Loan – 30 June 2022	6,173,522	6,361,022
CCF (WA) Ltd		
Carrying amount at beginning of year	1,864,490	1,892,330
Rent	(27,840)	(27,840)
Loan – 30 June 2022	1,836,650	1,864,490

Other related party loans :

	2022	2021
Line of Credit - CCF (QLD) Ltd		
Carrying amount at beginning of year	-	(150,000)
Amounts Advanced/(Repaid)	-	150,000
Loan – 30 June 2022	-	-

Notes to the Financial Statements for the Year Ended 30 June 2022

g. Related Party Payables at reporting date (arising from establishment of state-based companies)

Sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2022, the CCF has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2021: $Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates

Notes to the Financial Statements for the Year Ended 30 June 2022

	2022 $	2021 $
NOTE 13: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash at Bank	784,691	732,957
	784,691	732,957
b. Reconciliation of Profit / (Loss) from ordinary activities after income tax to net cash provided by operating activities		
Profit from Ordinary Activities after income tax	21,011	280,483
Add/(Less):		
Non Cash Flows in (Loss) from Ordinary Activities:		
Depreciation	458,268	478,691
AASB 16: Right-of-use Amortisation	45,492	45,492
Rental Income	(458,640)	(476,059)
Gain on Disposal of Sale of Property	-	(103,558)
	66,131	225,049
Changes in Operating Assets and Liabilities		
(Increase)/Decrease in Receivables	33,921	35,540
Increase/(Decrease) in Provisions	8,793	24,577
Increase/(Decrease) in Creditors, Accruals and Other Liabilities	(15,795)	24,107
	93,050	309,273

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 14: INTANGIBLES

a. Leases - Right of Use Assets (ROU) and related Liability

CCF as a Lessee	2022 $	2021 $
Right-of-use asset		
Carrying amount beginning of the year	140,263	185,755
Additions to right-of-use assets	-	-
Amortisation	(45,492)	(45,492)
Carrying amount of right -of-use assets	94,771	140,263
Lease liability		
Carrying amount beginning of the year	153,116	194,197
Add interest expense	9,708	9,708
Less lease payments	(51,024)	(50,789)
Carrying amount of lease liability	111,800	153,116
Maturity		
Within 1 Year	41,316	45,026
More than 1 Year but less than 5 Years	70,484	108,090
More than 5 years	-	-
	111,800	153,116

The table below sets out CCF's variable lease payments, in relation to fixed payments:-

	2022 $	2021 $
Fixed Rent	51,024	50,789
Variable rent with minimum payment	-	-
Variable rent only	-	-
	51,024	50789

CCF's lease portfolio includes buildings. The lease term is 4 years (after an extension was executed) and is accounted for in accordance with AASB16.

Options to extend or terminate

The option to extend or terminate is contained in the property lease. These clauses provide CCF opportunities to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by CCF. The extension options or termination options which were probable to be exercised have been included in the calculation of the Right of Use asset.

The right-of-use asset and related liability refers to the lease of Level 3 Unit 13, 11 National Circuit, Barton which is the current office premises.

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 14: INTANGIBLES

CCF as a Lessor

	2022 $	2021 $
Amounts included in the income statement are as follows:-		
Finance Leases:-		
Finance income on the net investment in the lease	-	-
Income relating to variable lease payments	-	-
Operating Leases:-		
Lease Income	458,640	476,059
Income relating to variable lease payments	-	-
Total	458,640	476,059

The leases over property to state based companies are all for 20 years expiring January 2039. They allow for a 2% per annum rental increment. No sub-leasing of these assets by CCF as lessor has occurred.

An analysis of undiscounted lease payment receivables at expiry date is as follow:-

	2022 $	2021 $
Receivable within one year	502,716	492,661
1-2 years	512,770	502,716
2-3 years	523,026	512,770
3-4 years	533,486	523,026
4-5 years	544,155	533,486
After 5 years	6,965,735	7,509,890
Total	9,581,888	10,074,549

b. Operating Leases

At 30 June 2022, the entity has no operating lease commitments (2021: $nil).

NOTE 15: CAPITAL COMMITMENTS

At 30 June 2022, the entity has no capital commitments (2021: $nil).

NOTE 16: ECONOMIC DEPENDENCY

The CCF is dependent on ongoing funding in the form of contributions from branches/ state-based companies which will continue indefinitely under agreement between CCF and the companies. The CCF did not receive any other financial support from any other reporting unit during the year.

During the period CCF did not provide any form of financial support to another reporting unit or entity to facilitate their continuing as a going concern.

Notes to the Financial Statements
for the Year Ended 30 June 2022

NOTE 17: FEDERATION DETAILS

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

Civil Contractors Federation
Unit 13, Level 3 Engineering House
11 National Circuit
Barton ACT 2600

NOTE 18: FAIR VALUE MEASUREMENT

The CCF measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- freehold land and buildings.

The CCF does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

a. Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. It all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The CCF selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the CCF are consistent with one or more of the following valuation approaches:-

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 18: FAIR VALUE MEASUREMENT (Cont'd)

a. Fair Value Hierarchy (cont'd)

When selecting a valuation technique, the CCF gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following tables provide the fair values of the CCF's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation with the fair value hierarchy.

	Note	30 June 2022 Level 1 $	Level 2 $	Level 3 $	Total $
Recurring fair value measurements					
Financial assets					
Financial assets at fair value through profit or loss:	-	-	-	-	-
Available-for-sale financial assets:	-	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-	-
Non-financial assets					
Freehold land & buildings	7	15,825,084	-	-	-
Total non-financial assets recognised at fair value	7	15,825,084	-	-	-

	Note	30 June 2021 Level 1 $	Level 2 $	Level 3 $	Total $
Recurring fair value measurements					
Financial assets					
Financial assets at fair value through profit or loss:	-	-	-	-	-
Available-for-sale financial assets:	-	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-	-
Non-financial assets					
Freehold land & buildings	7	16,283,352	-	-	-
Total non-financial assets recognised at fair value	7	16,283,352	-	-	-

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 18: FAIR VALUE MEASUREMENT (Cont'd)

b. Valuation Techniques and Inputs Used to Measure Fair Values

Description	Fair Value at 30 June 2022 $	Valuation Technique(s)	Inputs Used
Non-financial assets	15,825,084	Market Value	Market Valuation
Financial assets at fair value through profit or loss:	-	n/a	n/a
Available-for-sale financial assets:	-	n/a	n/a
	15,825,084	n/a	n/a

* 30 June 2021 - $16,283,352

c. Disclosed Fair Value Measurements

The following assets and liabilities are not measured at fair value in the statement of financial positon, but their fair values are disclosed in the notes:-

- accounts receivable and other debtors; and
- accounts payable and other payables.

The following table provides the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation techniques(s) and inputs used:

Description	Fair Value at Hierarchy Level	Valuation Technique(s)	Inputs Used
Assets			
Accounts receivable and other debtors	3	Income approach using discounted cash flow methodology	Market interest rates for similar assets

Description	Fair Value at Hierarchy Level	Valuation Technique(s)	Inputs Used
Liabilities			
Accounts payable and other payables	3	Income approach using discounted cash flow methodology	Market interest rates for similar assets
Hire purchase liabilities	2	Income approach using discounted cash flow methodology	Current commercial borrowing rates for similar instruments

Notes to the Financial Statements for the Year Ended 30 June 2022

NOTE 19: OTHER MATTERS

The Federation does not have any formal agreement to provide or receive financial support to/(from) another reporting unit to ensure its ability to continue as a going concern.

The Federation has not acquired or disposed of assets or liabilities as part of a business combination.

Amounts accrued as trade payables in respect of consideration to employers for making payroll deductions were $nil (2021: $nil)

The affairs of the Federation were not administered by another reporting unit. No payments were made by the reporting unit to former related parties in 2022 (2021: $nil).

There were no fees or allowances paid to attend conferences or meetings as a representative of the Federation.

NOTE 20: SUBSEQUENT EVENTS

There were no subsequent events of significance after the reporting date.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIVIL CONTRACTORS FEDERATION

To the Members of Civil Contactors Federation

Auditor's Opinion

We have audited the accompanying general purpose financial report of Civil Contractors Federation (CCF), which comprises the statement of financial position as at 30 June, 2022, and the statement of comprehensive income, statement of cash flows, statement of changes in equity for the year then ended, a summary of significant accounting policies, other explanatory notes, the Committee of Management Statement, the subsection 255 (2A) report and the Officer Declaration Statement.

In our opinion under the Fair Work (Registered Organisations) Act 2009 (RO Act), the general purpose financial report is presented fairly in accordance with any of the following that apply in relation to the reporting unit:

a) Australian Accounting Standards, and Australian Accounting Interpretations;

b) Any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

In our opinion, there were kept by the organisation satisfactory accounting records detailing the source and nature of all income and the nature of all expenditure.

As part of our audit of the organisation for the year ended 30 June 2022, we are of the opinion that the Committee of Management's use of the going concern basis of accounting in the preparation of its financial statements is appropriate

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibility 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 CCF in accordance with the independence requirements of Corporations Act 2001 and 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 responsibilities in accordance with the Code.

We confirm that the independence declaration, which has been given to the Committee of Management, would be in the same terms if given to the Committee 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 audit opinion.

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

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

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

Stannards Accountants and Advisors Pty Ltd
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Michael Shulman, CA
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James Dickson, CA

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIVIL CONTRACTORS FEDERATION (cont'd)

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.

Committee of Management Responsibility for the Financial Report

The Committee of Management are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the RO Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and true and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making estimates that are responsible in the circumstances.

In preparing the financial report, the Committee of Management are responsible for assessing CCF's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intends to liquidate CCF or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the CCF'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 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 the 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 dur 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 auditing 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 CCF's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIVIL CONTRACTORS FEDERATION (cont'd)

- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the CCF'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 CCF to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within CCF to express an opinion on the financial report. We are responsible for the direction, supervision and performance of CCF audit. We remain solely responsible for our audit opinion.

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

We also provide the Committee of Management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/Home.aspx.

No revenue has been derived from undertaking recovery of wages activity during the 2022 financial year.

I declare that I am an auditor registered under the RO Act.

Stannards Accountants and Advisors

James Dickson
Partner

Melbourne, VIC
Dated: 22nd September 2022

Registered Company Auditor (389435)
Holder of Current Public Practice Certificate
Approved Auditor (FWC Act and Regulations – AA2021/18)