



25 July 2024

Michael Boyle
President
Civil Contractors Federation
Sent via email: ccfnat@civilcontractors.com
CC: bhaumik.bumia@hardwickes.com.au

Dear Michael Boyle

**Civil Contractors Federation
Financial Report for the year ended 30 June 2023 – (FR2023/107)**

I acknowledge receipt of the financial report for the year ended 30 June 2023 for the Civil Contractors Federation (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 23 January 2024. I also acknowledge the receipt of the amended designated officer certificate on 30 January 2024.

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 sections 253, 265, 266 and 268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under section 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.

Please note that the financial report for the year ending 30 June 2024 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report. The Commission will confirm these concerns have been addressed prior to filing next year's report.

Changes to financial and administrative arrangements

During the initial review of the financial report, it was noted that there had been significant changes to the financial affairs of the reporting unit. Note 15 of the financial report stated the following:

'It was resolved by the Board that the profits of CCFRO received from members and operations should be in fact held by CCFA. The adjustment of \$554,901 have been calculated for the period January 2019 to 30 June 2022 to reflect the moving forward structure.'

On 2 May 2024 and 24 June 2024, the Commission's Director of Financial Analysis, Education and Advice contacted you requesting further information regarding:

- the abovementioned change;
- the management fee recorded against the reporting unit; and
- other changes to financial and administrative arrangements.

I acknowledge and thank you for responding to these letters and providing the relevant information which the Commission received on 28 May 2024 and 12 July 2024. Your responses have been noted and the Commission will continue to monitor these matters.

Documents must be lodged with Fair Work Commission (the Commission) within 14 days after general meeting

Section 268 of the RO Act requires a copy of the full report and the designated officer's certificate to be lodged with the Commission within 14 days after the general meeting of members referred to in section 266. The designated officer's certificate indicates that this meeting occurred on 10 November 2023. If this is correct the documents should have been lodged with the Commission by 24 November 2023.

The full report was not lodged until 23 January 2024. If this date is correct, the reporting unit should have applied to the General Manager of the Fair Work Commission for an extension of time to allow a longer period to lodge the required documents.

Please note that in future financial years if the reporting unit cannot lodge within the 14 day period prescribed, a written request for an extension of time, signed by a relevant officer, including any reason for the delay, must be made prior to the expiry of the 14 day period.

Auditor's qualifications

Item 29(b) of the reporting guidelines state that the auditor's statement must specify the registered auditor's name and registration number. The auditor's statement provided states the name of the registered auditor but not the registration number.

Please ensure that in future years the auditor's statement includes both the name and registration number of the registered auditor.

Nil activities disclosure RG

Item 21 of the reporting guidelines states that if any of the activities identified within items 10-20 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. The officer's declaration statement contained nil activity information for all prescribed reporting guideline categories except the following:

- Item 10 – agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- Item 11 – agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- Item 12 - acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- Item 13(a) – receive periodic or membership subscriptions
- Item 13(b) – receive capitation fees from another reporting unit or any other revenue from another reporting unit
- Item 13(c) – receive revenue via compulsory levies
- Item 13(d) – receive donations or grants

- Item 13(e) – receive revenue from undertaking recovery of wages activity
- Item 14(a) – incur fees as consideration for employers making payroll deductions of membership subscriptions
- Item 14(b) – pay capitation fees or any other expense to another reporting unit
- Item 14(c) – pay affiliation fees to another entity
- Item 14(d) – pay compulsory levies
- Item 14(e)(i) – pay a grant that was \$1,000 or less
- Item 14(e)(ii) – pay a grant that exceeded \$1,000
- Item 14(e)(iii) – pay a donation that was \$1,000 or less
- Item 14(e)(iv) – pay a donation that exceeded \$1,000
- Item 14(f) (i)- pay wages and salaries to holders of office
- Item 14(f) (ii) – pay superannuation to holders of office
- Item 14 (f) (iii)-pay leave and other entitlements to holders of office
- Item 14 (f) (iv)- pay separation and redundancy to holders of office
- Item 14 (f) (v)- pay other employee expense to holders offices
- Item 14(g) (i) – pay wages and salaries to employees (other than holders of offices)
- Item 14(g) (ii) – pay superannuation to employees (other than holders of offices)
- Item 14 (g) (iii)- pay leave and other entitlements (other than holders of offices)
- Item 14(g) (iv)- pay separation and redundancy to employees (other than holders of offices)
- Item 14(g) (v)- pay other employee expenses to employees (other than holders of offices)
- Item 14(h) – pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- Item 14(i) – incur expenses due to holding a meeting as required under the rules of the organisation
- Item 14(j)(i) – pay legal costs relating to litigation
- Item 14(j)(ii) – pay legal costs relating to other legal matters
- Item 14(k) – pay a penalty imposed under the RO Act or Fair Work Act 2009
- Item 15(a) – have a receivable with another reporting unit
- Item 15(b) – have a payable with another reporting unit
- Item 16(a) – have a payable to employer as consideration for that employer making payroll deductions of membership subscriptions
- Item 16(b)(i) – have a payable in respect of legal costs relating to litigation
- Item 16(b)(ii) - have a payable in respect of legal costs relating to other legal matters
- Item 16(c)(i) – have a provision in respect of annual leave for holders of offices
- Item 16(c)(ii) – have a provision in respect of long service leave for holders of offices
- Item 16 (c)(iii) – have a provision in respect of separation and redundancy for holders of offices
- Item 16 (c)(iv)- have a provision in respect of other employee provisions for holders of offices
- Item 16(d)(i) –have a provision in respect of annual leave for employees (other than holders of offices)
- Item 16(d) (i) – have a provision in respect of long service leave for employees (other than holders of offices)
- Item 16(d) (iii)- have a provision in respect of separation and redundancy for employees (other than holders of offices)
- Item 16 (d) (iv) – have a provision in respect of other employee provisions for employees (other than holders of offices)
- Item 17(a) – have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch

- Item 17(b) - transfer to or withdraw from a fund (other than the general fund), asset or controlled entity
- Item 17(c) – have moneys from a fund or account been invested in assets
- Item 18 – have cash flows to/from another reporting unit and/or controlled entity
- Item 19 - have another entity administer the financial affairs of the reporting unit
- Item 20 - make a payment to a former related party of the reporting unit

Please ensure in future years that the abovementioned items are disclosed in either the financial statements, the notes or in the officer's declaration statement as per the reporting guidelines.

Reporting Requirements

The Commission's 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 Commission 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 is available via [this link](#).

If you have any queries regarding this letter, please call 1300 341 665 or email regorgs@fwc.gov.au.

Yours sincerely

Fair Work Commission



2 May 2024

Michael Boyle
President
Civil Contractors Federation
Sent via email: ccfnat@civilcontractors.com and maboyle@abergeldie.com

Dear Michael Boyle

**Civil Contractors Federation
Financial Report for the year ended 30 June 2023 – (FR2023/107)**

I acknowledge receipt of the financial report for the year ended 30 June 2023 for the Civil Contractors Federation (CCF). The financial report was lodged with the Fair Work Commission (the Commission) on 23 January 2023.

Our examination of the report identified what appears to be a significant change in how the financial affairs of the CCF are arranged. In order for the Commission to understand this change, the Commission seeks further information from the CCF. In the interim, the financial report has not been accepted for filing.

Background

Prior to 1 January 2019, the CCF included 8 branches, all of which were individual reporting units for the purposes of Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) and were required to prepare individual financial reports at the end of each financial year. On 31 December 2018, the General Manager of the Commission issued a decision (R2018/292) on rule alterations submitted by the CCF. The alterations included abolition of those branches, leaving the CCF as a single reporting unit.

As part of this process, the CCF established separate corporate entities which corresponded with the membership attached to those branches. The purpose of those entities is apparently to undertake some of the functions of the existing organisation i.e. promotion of the civil construction industry in the broader community, commercial activities and the provision of training and education services. The CCF would still be involved in industrial representation and organising on behalf of its members, such as participation in proceedings regarding Modern Awards and dispute resolution on behalf of members.

A form of dual membership was then established so that only members of the CCF could be eligible to be a member of one of those corporate entities.

Note 15, CCF Financial Report – Prior period adjustment

On examination of the statement of profit or loss and other comprehensive income, it appears that a significant change has occurred during the 2022/2023 financial year in the CCF's financial arrangements. Note 15 *Prior period adjustment* provides an explanation about the change stating that:

'It was resolved by the Board that the profits of CCFRO received from members and operations should be in fact held by CCFA. The adjustment of \$554,901 have been calculated for the period January 2019 to 30 June 2022 to reflect the moving forward structure.'

In the CCF's rulebook, rule 13(c) *Fees subscriptions and levies* states that:

‘The National Board may arrange for Civil Contractors Federation Australia Ltd ABN 89 618 345 261 (CCFA), to collect fees or levies on behalf of the Federation, provided that CCFA is bound to and does pass all of those fees or levies on to the Federation, without any deductions whatsoever. A sum payable to the Federation by a member is deemed to be made to the Federation on the date it is paid to CCFA.’

The resolution of the Board as described in Note 15 appears to be contrary to rule 13(c). The Commission is concerned that the CCF is no longer operating in accordance with its rules – particularly a rule concerned with its financial management.

The Commission therefore requests a response from the CCF to each of the following:

1. Please provide the Commission with an understanding of the decision-making process that the Board followed in order to make this resolution, including the consideration (if any) of the requirements under rule 13(c).
2. Whether the Board believes that the administrative arrangement complies with the requirements under rule 13(c), and how it formed that belief.
3. Please provide the Commission with a copy of the specific resolution(s) to which the text of Note 15 of the financial report refers.
4. Is a membership fee charged to members of CCF (noting that the operating report states there were 1161 members as at 30 June 2023), by whom is it collected, and where that is reflected in the financial reporting documents.

Management fee

The statement of profit or loss and other comprehensive income for the financial year ended 30 June 2023 also appears to indicate that the only revenue stream of the CCF is rental income, and expenditure of depreciation (which is equivalent to the rental income), as well as a new item compared to previous years, a CCFA management fee expense. All other revenue and expenditure items included in previous years financial reports are no longer reported against the CCF.

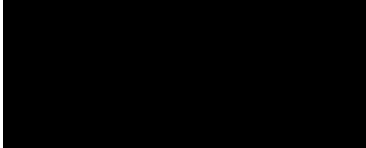
The Commission requests a response from the CCF to each of the following questions:

5. Please identify what this management fee relates to and why this has not been charged in previous years?
6. As explained above, it is our understanding that the CCF would still be involved in industrial representation and organisation of its members, such as participation in proceedings regarding Modern Awards and dispute resolution on behalf of members. As the only revenue stream of the reporting unit is rental income, is the CCF no longer delivering these services?
7. Can you confirm whether the arrangement still exists whereby only members of the CCF are eligible to become members of those corporate entities established when the branches of the CCF were abolished.
8. How the Board believes that the CCF will remain solvent ongoing, considering a new management fee is now payable by the CCF, with the CCF having no apparent income stream recorded in its financial reporting which could meet this expense.

Please provide a response to our questions numbered 1 to 8 above by Thursday 23 May 2024.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the RO Act, please contact me on 03 8650 0172 or by email at joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Director, Financial Analysis, Education and Advice
Fair Work Commission



28 May 2024

Joanne Fenwick
Director, Financial Analysis, Education and Advice
Fair Work Commission

By email: joanne.fenwick@fwc.gov.au.

RESPONSE TO FAIR WORK COMMISSION REQUEST FOR INFORMATION

Dear Joanne,

We refer to your correspondence dated 2 May 2024 (**Your Letter**) regarding a request for information from Civil Contractors Federation (**CCF**) in relation to the financial report lodged by CCF Registered Organisation (**CCF RO**) with the Fair Work Commission (**FWC**) for FY2023.

CCF RO agrees with the background set out in Your Letter.

CCF RO has considered and sets out responses to your requests for information below.

1. ***Please provide the Commission with an understanding of the decision-making process that the Board followed in order to make this resolution, including the consideration (if any) of the requirements under rule 13(c).***

In response to **Question 1**, CCF RO states that:

- a. the decision-making process that the CCF RO Board (the **CCF RO Board**) followed for the relocation of funds (being \$554,901), was to correct the eight state and territory CCFA LTD members (**CCFA LTD S&T Members**) fees paid to Civil Contractors Federation Australia Ltd (**CCFA LTD**) that was incorrectly recorded as being paid to CCF RO;
- b. this amount was required to be paid back to CCFA LTD and therefore the CCF RO Board decided that it was prudent financial management to take steps to action the reallocation;
- c. further, these funds should not have been accounted for by CCF RO as there were no Member fees collected for CCF RO for the relevant financial period, only CCFA LTD; and
- d. the CCF RO Board considered rule 13(c) during the decision making process and considered the relocation of funds as appropriate and not in breach of rule 13 (c) because these funds did not relate to "*fees and levies collected on behalf of the Federation*" i.e., the funds were not collected for the CCF RO.

2. ***Whether the Board believes that the administrative arrangement complies with the requirements under rule 13(c), and how it formed that belief.***



In response to **Question 2**, CCF RO states that:

- a. the CCF RO Board believes the administrative arrangements do not breach rule 13(c);
- b. rule 13(c) relates to the collection of fees and levies, on behalf of the Federation (as defined in the Rules) and states that in relation to those fees and levies collected on behalf of the Federation, "*CCFA [LTD] is bound to pass all of those fees to the Federation, without deduction*";
- c. however, the monies which were the subject of the reallocation, related to fees generated by CCFA LTD, and not CCF RO;
- d. at the relevant time, CCFA LTD and CCF RO shared a joint bank account;
- e. the CCF RO Board formed the view that the funds should have been correctly allocated to CCFA LTD but were incorrectly allocated to CCF RO;
- f. this is evidenced in the CCF RO Board meeting minutes dated 17 February 2023, specifically noting as follows:

"Following CCF restructure, financial transactions (income and expenditure) occurred within the CCF [RO] bank account despite CCFA [LTD] being responsible for virtually all of CCF activity. Consolidated accounts have been presented to the CCF [RO] Board for review.

*To more closely reflect CCF operations, to improve transparency and the intent of the restructure, the Finance and Audit Committee **recommends the establishment of a separate CCFA [LTD] bank account and all transactions be transferred across to CCFA [LTD] i.e., revenue and expenditure**" (emphasis added);*

- g. as noted in the CCF RO Board report and circular resolution dated 26 July 2023, since 1 January 2019, the eight CCFA LTD S&T Members have been paying membership fees to CCFA LTD, the monies having been banked into the CCF RO bank account and being held in trust pending the establishment of a CCFA LTD bank account; and
- h. the CCF RO Board identified and confirmed the correct allocation of those monies to CCFA LTD prior to completion of the audit of the financial statements for the year ended 30 June 2023. The prior period adjustments were discussed with the auditor who recommended that the prior year (30 June 2022) be re-stated in the 2023 financial statements to reflect the prior period adjustment in compliance with AASB-108.

3. Please provide the Commission with a copy of the specific resolution(s) to which the text of Note 15 of the financial report refers.

In response to **Question 3**, CCF RO:

- a. attaches the CCF RO Board minutes for the CCF RO Board meetings held on June 2023 and July 2023 and marks the minutes "**Annexure A**";
- b. refers to and attaches the circular resolution to appropriately transfer the funds from CCF RO to CCFA LTD and marks this document "**Annexure B**"; and



c. notes the circular resolution dated 26 July 2023 which provides as follows:

“at the Civil Contractors Federation [RO] Board meeting held on 22nd June 2023 the [CCF RO] Board noted that the CCFA [LTD] bank account is in the process of being established with the [CCF RO] Board agreeing that all monies received from CCFA [LTD] Member levies and sponsorship from 1 January 2019 be transferred from the Civil Contractors Federation [RO] bank account into the [CCFA]”.

4. Is a membership fee charged to members of CCF (noting that the operating report states there were 1161 members as at 30 June 2023), by whom is it collected, and where that is reflected in the financial reporting documents.

In response to **Question 4**, CCF notes that:

- a. CCF RO members are not charged a membership fee directly;
- b. CCFA LTD charges a membership fee to its eight state and territory CCFA LTD S&T Members who in turn have a total of 1,161 members (**Members**) (as at that point in time);
- c. Each of the CCFA LTD S&T Members charge a fee to these Members;
- d. CCFA LTD S&T Members fees are required to be reflected in CCFA LTD accounts.

5. Please identify what this management fee relates to and why this has not been charged in previous years?

In response to **Question 5**, CCF RO states that:

- a. the \$120,000 management fee was paid as a *one-off fee*. This fee is an estimate of the cost of the administrative support provided by CCFA LTD to CCF RO for the 4-year period since the restructure commenced (i.e. \$30,000 per year for 4 years);
- b. \$30,000 per year represents approximately 10% of the CCFA LTD CEO salary; and
- c. due to the restructure being complete, CCFA LTD does not intend for this management fee to be an ongoing charge that CCFA LTD renders to CCF RO.

6. As explained above, it is our understanding that the CCF would still be involved in industrial representation and organisation of its members, such as participation in proceedings regarding Modern Awards and dispute resolution on behalf of members. As the only revenue stream of the reporting unit is rental income, is the CCF no longer delivering these services?

In response to **Question 6**, CCF RO:

- a. confirms that CCF RO is still providing these services with support from CCFA LTD and states that:
 - i. since the restructure (which the FWC is aware of and has referred to in Your Letter), CCFA LTD has provided industrial support services to its Members;



- ii. a national industrial relations specialist has been engaged by CCFA LTD to provide registered organisation services, such as legal queries for Members, newsletters and webinars;
 - iii. CCF RO has recently been involved in CCF's Legal and IR Working Group with representation across the country and meetings to assist the organisation around meetings such as the upcoming Building and Construction Industry Reference Group which CCFA LTD is engaging;
 - iv. CCFA LTD's CEO Nicholas Proud represents CCF RO at this newly established reference group and I, Michael Boyle, will be further engaging in this work moving forward as a function of the role as secretariat from CCF's office;
 - v. CCFA LTD holds cross jurisdictional webinars on a periodic basis;
 - vi. CCFA LTD's national newsletter provides industrial updates as and when appropriate; and
 - vii. CCF RO is enhancing its offering, may elect to charge a fee for enhanced member services.
- b. confirms that, as noted above at question 5, a new management fee is not required to be payable from CCF RO to CCFA LTD to provide an additional income stream. CCF RO has significant capital assets.

7. *Can you confirm whether the arrangement still exists whereby only members of the CCF are eligible to become members of those corporate entities established when the branches of the CCF were abolished.*

In response to **Question 7**, CCF RO confirms that is correct. CCF RO member applications come to the CCF RO National Board for approval and then the CCF RO member is notified by CCF RO National Office of the membership application which confirms the eligibility of those 1,161 for CCFA LTD S&T Members.

8. *How the Board believes that the CCF will remain solvent ongoing, considering a new management fee is now payable by the CCF, with the CCF having no apparent income stream recorded in its financial reporting which could meet this expense.*

In response to **Question 8**, CCF RO states that:

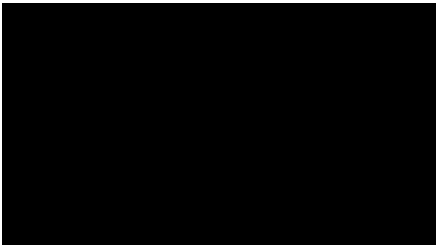
- a. the management fee is not currently a regular payment which is contemplated by CCFA LTD to be paid from CCF RO;
- b. CCFA LTD reserves its right to request a fee for the services it provides to CCF RO in the future;
- c. CCFA LTD earns its fees from CCFA LTD S&T Members to provide secretariat and CCF RO support services;
- d. as set out in response to question 6, CCF RO does not have concerns about solvency, as it has significant capital assets;



- e. CCFRO is continuously improving its industrial relations support services, consistent with its CCF 2024-25 Business Plan (the **Business Plan**) and the CCFA LTD and CCF RO National Service Agreement (the **Service Agreement**). Both the Business Plan and the Service Agreement have been approved by the CCF Executive Committee to be confirmed at a board meeting in late June 2024 to resolve this in consideration of CCFA LTD S&T Member approval.

Please do not hesitate to be in contact if you have any further queries in relation to the matters set out above.

Kind Regards



Mick Bowie
President
Civil Contractors Federation



24 June 2024

Michael Boyle
President
Civil Contractors Federation
Sent via email: ccfnat@civilcontractors.com and maboyle@abergeldie.com

Dear Michael Boyle

**Civil Contractors Federation
Financial Report for the year ended 30 June 2023 – (FR2023/107)**

Thank you for your letter of 28 May 2024, in response to matters raised in our letter of 2 May 2024.

We appreciate the time taken to respond to our questions and to clarify issues relating to the new administrative structure of the Civil Contractors Federation (CCF).

Having regard to your responses, can you please provide clarification of the following matters:

1. In your response you have stated that “funds should not have been accounted for by CCF RO as there were no Member fees collected for CCF RO for the relevant financial period, only CCFA LTD”. Can you confirm that the CCF National Board has determined that there is no application fee or annual subscription for membership of CCF? If so, we would appreciate it if you could please provide the Commission with a copy of the relevant resolution or other documents establishing this arrangement. Is this decision subject to periodic review?
2. In relation to the services provided by CCF to the eight separate corporate entities in relation to industrial representation and organisation of its members, can you confirm that the CCF National Board has determined that those services are free of charge? If so, please provide the Commission with a copy of the relevant resolution or other documents establishing this arrangement. Is this decision subject to periodic review?

Your responses to the above matters will assist us to appropriately assess the CCF's financial report based on what appears to be a significant change in the administrative and financial arrangements of the organisation. Thank you for your further assistance.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the RO Act, please contact me on 03 8650 0172 or by email at joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Director, Financial Analysis, Education and Advice
Fair Work Commission



11 July 2024

Joanne Fenwick
Director, Financial Analysis, Education and Advice
Fair Work Commission

By email: joanne.fenwick@fwc.gov.au.

RESPONSE TO FAIR WORK COMMISSION REQUEST FOR ADDITIONAL INFORMATION

Dear Joanne,

We refer to your further correspondence dated 24 June 2024 (**Further Letter**) requesting clarification on matters set out in the Civil Contractors Federation Registered Organisation's (**CCF RO**) response to the Fair Work Commission (**FWC**) dated 28 May 2024 (**CCF RO Response**).

We refer to the questions set out in the Further Letter and respond as follows.

In relation to the first question, we confirm that the CCF RO National Board (**CCF RO Board**) has determined that there is to be no application fee or annual subscription for membership of CCF RO for FY2025.

We refer to section 3.2 of the CCF RO Board minutes for the CCF RO Board meeting held on 21 June 2024 (**CCF RO Minutes**) which support this position. The CCF RO Minutes are attached to this letter and marked "**Annexure A**".

This decision is subject to periodic review.

In relation to the second question, the CCF Response outlined how CCF RO, through CCFA LTD provides services to its eight separate corporate entities (**CCFA LTD S&T Members**) in relation to industrial representation and organisation of its members.

The scope of the services provided by CCFA LTD to both CCF RO and to the CCFA LTD S&T Members on behalf of CCF RO, for FY2025 is set out in a "Consolidated Service Agreement for the Provision of IR and Secretariat Services" (**National Services Agreement**). A copy of the National Services Agreement is attached to this letter and marked "**Annexure B**".

The CCF RO Board confirms in section 3.3 of the CCF RO Board Minutes that there will be no fee for the services set out in the National Services Agreement for FY2025 and for the foreseeable future.

However, the National Services Agreement is reviewed annually and whether a fee is charged in the future will depend on whether the scope of the services provided for in the National Services Agreement broadens. If the scope of services broadens, CCF RO will consult with the FWC before deciding to charge a management fee.

Please do not hesitate to contact CCF RO for any further queries in relation to the matters set out above.



Kind Regards



Mick Boyle
President
Civil Contractors Federation

s.268 Fair Work (Registered Organisations) Act 2009

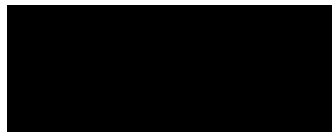
AMENDED CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the year ended 30th June 2023

I Michael Boyle being the National President of the Civil Contractors Federation certify:

- that the documents lodged herewith are copies of the full report for the Civil Contractors Federation for the period ended 30 June 2023 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 18th October 2023 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.
- that the full report was published on the reporting unit's website on 19th October 2023;
- that the full report was provided to members of the reporting unit on 19th October 2023 in the Notice of Annual General Meeting for Civil Contractors Federation and that the Annual General Meeting was held on 10th November 2023; and
- that the full report was presented to the Annual General Meeting of members of the reporting unit on 10th November 2023 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009* and adopted without change by the members at the Annual General Meeting.

Signature of prescribed designated officer:



Name of prescribed designated officer:

Michael Boyle

Title of prescribed designated officer:

National President

Dated:

30th day of January 2024



**CIVIL CONTRACTORS
FEDERATION**

Civil Contractors Federation

ABN: 41 639 349 350

Financial Statements

For the Year Ended 30 June 2023

Civil Contractors Federation

ABN: 41 639 349 350

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For the Year Ended 30 June 2023

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Civil Contractors Federation
ABN: 41 639 349 350

Certificate by Prescribed Designated Officer
For the Year Ended 30 June 2023

I, Michael Boyle, 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 2023* 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 18th October 2023; and
- that the full report was presented to a *general meeting of members* of the reporting unit on 10th November 2023 in accordance with [REDACTED] (*Registered Organisations*) Act 2009.

Signature of p [REDACTED]

Name of prescribed designated officer: Michael Boyle

Title of prescribed designated officer: President

Dated:

6 NOVEMBER 2023

Civil Contractors Federation
ABN: 41 639 349 350

Officer Declaration Statement
For the Year Ended 30 June 2023

I, Michael Boyle, being the President of the Civil Contractors Federation, declare that all activities (including \$nil activities) requiring disclosure for the reporting period ended 30 June 2023 have been disclosed in the financial report.

Signature of designated officer.

Name of designated officer: Michael Boyle

Title of designated officer: President

Dated:

6 NOVEMBER 2023

Civil Contractors Federation

ABN: 41 639 349 350

Operating Report For the Year Ended 30 June 2023

The Committee of management present their report on Civil Contractors Federation for the financial year ended 30 June 2023.

Principal activities

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

The CCF generated a deficit of \$(119,628) (2022: surplus of \$21,011). 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 the nature of principal activities

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

Significant changes in financial affairs

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.

Officers or members who are superannuation fund trustee(s) (include position details) 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

Nil.

Number of members

The number of persons who, at the end of the financial year, were recorded on the Register of members was 1,181 Contractor Members and 669 Associate Members.

Number of employees

The number of persons who were, at the end of the financial year, employees of the CCFRO was 4 (2022: 4).

Civil Contractors Federation

ABN: 41 639 349 350

Operating Report For the Year Ended 30 June 2023

Nnational board members

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

Names	Position	Period of Office
Michael Boyle	President	1/7/2022 to 30/6/2023
Antony Damiani	Vice President	1/7/2022 to 30/6/2023
Nick Zardo	Treasurer	1/7/2022 to 30/6/2023
Michael Unger	Board Member	1/7/2022 to 30/6/2023
Michael Cull	Board Member	1/7/2022 to 17/2/2023
Bill Abbott	Board Member	1/7/2022 to 30/6/2023
Charles Hatcher	Board Member	1/7/2022 to 30/6/2023
David Moody	Board Member	1/7/2022 to 30/6/2023
Ian Hinchliffe	Board Member	17/02/2023 to 30/06/2023
Gladys Woods	Board Member	11/11/2023 to 30/6/2023
David Della Bona	Board Member	1/7/2022 to 11/11/2023

Manner of resignation

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:
 - at the end of two weeks after the notice is received by the Federation; or
 - 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.

Civil Contractors Federation

ABN: 41 639 349 350

Operating Report
For the Year Ended 30 June 2023

Sign off details

Signature of designated officer:



Name and title of designated officer: Michael Boyle, President

Dated:

6 NOVEMBER 2023

Civil Contractors Federation
ABN: 41639349 350

National Board Statement
For the Year Ended 30 June 2023

On 18th October 2023 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 2023:

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

Dated:

6 NOVEMBER 2023

Civil Contractors Federation


ABN: 41 639 349 350

**Auditor's Independence Declaration to the Committee of Management of
Civil Contractors Federation**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023, 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.

Hardwicks
Chartered Accountants


Bhaumik Bumia CA
Partner

Canberra

Civil Contractors Federation

ABN: 41 639 349 350

Section 255(2A) Expenditure Report For the Year Ended 30 June 2023

The committee of management presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 30 June 2023.

	2023	2022
	\$	\$
CATEGORIES OF EXPENDITURE		
Remuneration and other employment-related costs and expenses - employees	-	486,377
Operating Costs	-	749,875
Total	<u>-</u>	<u>1,236,252</u>

The accompanying notes form part of these financial statements.

Civil Contractors Federation

ABN: 41 639 349 350

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue and other income	4	458,640	1,257,263
Accounting fees		-	(25,000)
Amortisation expenses		-	(45,492)
Audit fees		-	(11,500)
Computer and IT costs		-	(26,302)
Depreciation	7(a)	(458,268)	(458,268)
Functions and Event Expenses		-	(85,718)
Insurance		-	(12,409)
National Communication Costs		-	(1,128)
National Lobbying / Representation / Travel		-	(8,115)
Other expenses		-	(59,539)
Salaries & other benefits - Employees		-	(486,377)
Subscriptions & Publications		-	(16,404)
CCFA management fees		(120,000)	-
(Deficit)/Surplus before income tax		(119,628)	21,011
Income tax expense	2(b)	-	-
(Deficit)/Surplus for the year		(119,628)	21,011
Other comprehensive income		-	-
Total comprehensive income for the year		(119,628)	21,011

The accompanying notes form part of these financial statements.

Civil Contractors Federation

ABN: 41 639 349 350

Statement of Financial Position

As At 30 June 2023

	Note	2023 \$	2022 Restated \$	2022 \$
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	5	770,135	784,691	784,691
Trade and other receivables	6	45,117	164,481	164,481
Other assets	8	4,174	-	-
TOTAL CURRENT ASSETS		819,426	949,172	949,172
NON-CURRENT ASSETS				
Property, plant and equipment	7	15,366,816	15,825,084	15,825,084
Right-of-use assets	9	131,829	94,771	94,771
TOTAL NON-CURRENT ASSETS		15,498,645	15,919,855	15,919,855
TOTAL ASSETS		16,318,071	16,869,027	16,869,027
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	10	98,830	75,667	75,667
Lease liabilities	9	37,536	41,316	41,316
Employee benefits	13	8,917	61,362	61,362
Payables to CCF Australia - Prior period adjustments	12	470,616	451,344	-
TOTAL CURRENT LIABILITIES		615,899	629,689	178,345
NON-CURRENT LIABILITIES				
Borrowings	11	15,366,401	15,825,041	15,721,484
Lease liabilities	9	111,586	70,484	70,484
TOTAL NON-CURRENT LIABILITIES		15,477,987	15,895,525	15,791,968
TOTAL LIABILITIES		16,093,886	16,525,214	15,970,313
NET ASSETS		224,185	343,813	898,714
EQUITY				
Retained earnings		224,185	343,813	898,714
TOTAL EQUITY		224,185	343,813	898,714

The accompanying notes form part of these financial statements.

Civil Contractors Federation

ABN: 41 639 349 350

**Statement of Changes in Equity
For the Year Ended 30 June 2023**

2023

	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2022	343,813	343,813
(Deficit) for the year	(119,628)	(119,628)
Balance at 30 June 2023	224,185	224,185

2022

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2021	877,703	877,703
Surplus for the year	21,011	21,011
Prior period adjustment	(554,901)	(554,901)
Balance at 30 June 2022	343,813	343,813

The accompanying notes form part of these financial statements.

Civil Contractors Federation

ABN: 41 639 349 350

Statement of Cash Flows
For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	211,307	510,446
Payments to suppliers and employees	(225,863)	(417,786)
Interest received	-	390
Net cash provided by operating activities	19 <u>(14,556)</u>	<u>93,050</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of lease liabilities	-	(41,316)
Net cash provided by/(used in) financing activities	-	<u>(41,316)</u>
Net (decrease)/increase in cash and cash equivalents held	(14,556)	51,734
Cash and cash equivalents at beginning of year	<u>784,691</u>	<u>732,957</u>
Cash and cash equivalents at end of financial year	5 <u>770,135</u>	<u>784,691</u>

The accompanying notes form part of these financial statements.

Civil Contractors Federation

ABN: 41 639 349 350

Notes to the Financial Statements

For the Year Ended 30 June 2023

The financial report covers Civil Contractors Federation as an individual entity. Civil Contractors Federation is a not-for-profit Entity, incorporated and domiciled in Australia.

The functional and presentation currency of Civil Contractors Federation is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Fair Work (Registered Organisation) Act 2009*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Entity expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Entity have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Entity are:

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.

Civil Contractors Federation

ABN: 41 639 349 350

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Other income

Other income is recognised on an accruals basis when the Entity is entitled to it.

(b) Income tax

The Entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) 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.

(e) Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Land and buildings

Land and buildings are measured using the cost model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Entity, commencing when the asset is ready for use.

Civil Contractors Federation

ABN: 41 639 349 350

Notes to the Financial Statements For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(e) Property, plant and equipment

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	2.5%
Plant and Equipment	33%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(f) Financial instruments

Financial instruments are recognised initially on the date that the Entity becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Entity classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI- equity)

Financial assets are not reclassified subsequent to their initial recognition unless the Entity changes its business model for managing financial assets.

Amortised cost

The Entity's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Civil Contractors Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(f) Financial Instruments

Financial assets

Fair value through other comprehensive income - Equity instruments

The Entity has no investments that fall under this category.

Financial assets through profit or loss

The Entity has no investments that fall under this category.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Entity considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Entity's historical experience and informed credit assessment and including forward looking information.

The Entity uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Entity uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Entity in full, without recourse to the Entity to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Entity in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Entity has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Civil Contractors Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

Where the Entity renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Entity measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Entity comprise trade payables and other payables.

(g) Impairment of non-financial assets

At the end of each reporting period the Entity determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(h) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Civil Contractors Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(i) Leases

At inception of a contract, the Entity assesses whether a lease exists.

Right-of-use asset

At the lease commencement, the Entity recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Entity believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

Lease liability

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Entity's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Entity's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(j) Employee benefits

Provision is made for the Entity's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss.

3 Critical Accounting Estimates and Judgments

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

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

The significant estimates and judgements made have been described below.

Civil Contractors Federation

ABN: 41 639 349 350

Notes to the Financial Statements For the Year Ended 30 June 2023

3 Critical Accounting Estimates and Judgments

Key estimates - impairment of property, plant and equipment

The Entity assesses impairment at the end of each reporting period by evaluating conditions specific to the Entity that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

4 Revenue and Income

	2023	2022
	\$	\$
Revenue from contracts with customers (AASB 15)		
- Rental income	458,640	458,640
- National Office Contribution	-	781,741
	<u>458,640</u>	<u>1,240,381</u>
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
- ACIRT Board Fees	-	15,599
- Other income	-	1,286
	<u>-</u>	<u>16,885</u>
Total Revenue and other income	<u>458,640</u>	<u>1,257,266</u>

5 Cash and Cash Equivalents

	2023	2022
	\$	\$
Cash at bank and in hand	707,275	722,292
Short-term deposits	62,860	62,399
	<u>770,135</u>	<u>784,691</u>

6 Trade and Other Receivables

	2023	2022
	\$	\$
CURRENT		
Trade receivables	39,160	62,989
Security deposits	4,400	4,400
CCF (Australia) Ltd	1,557	97,092
	<u>45,117</u>	<u>164,481</u>

Civil Contractors Federation

ABN: 41 639 349 350

Notes to the Financial Statements

For the Year Ended 30 June 2023

6 Trade and Other Receivables

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

7 Property, Plant and Equipment

	2023	2022
	\$	\$
LAND AND BUILDINGS		
Land		
At cost	6,053,005	6,053,005
Total Land	<u>6,053,005</u>	<u>6,053,005</u>
Buildings		
At cost	15,307,511	15,307,511
Accumulated depreciation	(5,993,700)	(5,535,432)
Total buildings	<u>9,313,811</u>	<u>9,772,079</u>
Total land and buildings	<u>15,366,816</u>	<u>15,825,084</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	15,445	15,445
Accumulated depreciation	(15,445)	(15,445)
Total plant and equipment	<u>-</u>	<u>-</u>
Furniture, fixtures and fittings		
At cost	4,541	4,541
Accumulated depreciation	(4,541)	(4,541)
Total furniture, fixtures and fittings	<u>-</u>	<u>-</u>
RIGHT-OF-USE		
Total property, plant and equipment	<u>15,366,816</u>	<u>15,825,084</u>

Civil Contractors Federation

ABN: 41 639 349 350

**Notes to the Financial Statements
For the Year Ended 30 June 2023**

7 Property, Plant and Equipment

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land \$	Buildings \$	Plant and Equipment \$	Furniture, Fixtures and Fittings \$	Total \$
Year ended 30 June 2023					
Balance at the beginning of year	6,053,005	9,772,079	-	-	15,825,084
Depreciation expense	-	(458,268)	-	-	(458,268)
Balance at the end of the year	6,053,005	9,313,811	-	-	15,366,816

8 Other Assets

	2023 \$	2022 \$
CURRENT		
Prepayments	4,174	-
	<u>4,174</u>	<u>-</u>

9 Leases

Right-of-use assets

	Buildings \$	Total \$
Year ended 30 June 2023		
Right of use assets	213,777	213,777
Accumulated depreciatoin	(81,948)	(81,948)
Balance at end of year	131,829	131,829

	Buildings \$	Total \$
Year ended 30 June 2022		
Right of use assets	231,246	231,246
Accumulated depreciatoin	(136,475)	(136,475)
Balance at end of year	94,771	94,771

Civil Contractors Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2023

9 Leases

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	Total
	\$	\$	\$
2023			
Lease liabilities	37,536	111,586	149,122
2022			
Lease liabilities	41,316	70,484	111,800

Statement of Profit or Loss

The amounts recognised in the statement of profit or loss relating to leases where the Entity is a lessee are shown below:

	2023	2022
	\$	\$
Depreciation of right-of-use assets	-	(45,492)
Finance leases	-	(9,708)
	<u>-</u>	<u>(55,200)</u>

Statement of Cash Flows

	2023	2022	2021
	\$	\$	\$
Total cash outflow for leases	-	(41,316)	-

10 Trade and Other Payables

	Note	2023	2022
		\$	\$
CURRENT			
Trade payables		10,581	3,711
GST payable		15,721	24,552
Accrued expense		14,387	-
Other payables		58,141	47,404
		<u>98,830</u>	<u>75,667</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

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Notes to the Financial Statements For the Year Ended 30 June 2023

11 Loans

	2023	2022 Restated	2022
	\$	\$	\$
NON-CURRENT			
Related party payables	15,366,401	15,825,041	15,721,484
Total Loans	15,366,401	15,825,041	15,721,484

12 Other Liabilities

	2023	2022 Restated	2022
	\$	\$	\$
CURRENT			
Payables to CCF Australia - Prior period adjustments	470,616	451,344	-
	470,616	451,344	-

13 Employee Benefits

	2023	2022
	\$	\$
Current liabilities		
Provision for annual leave	8,917	61,362
	8,917	61,362

14 Financial Risk Management

The Entity is exposed to a variety of financial risks through its use of financial instruments.

The Entity's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Entity is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by the Entity are:

- Trade receivables

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Notes to the Financial Statements

For the Year Ended 30 June 2023

14 Financial Risk Management

- Cash at bank
- Trade and other payables

	2023	2022 restated	2022
	\$	\$	\$
Financial assets			
Held at amortised cost			
Cash and cash equivalents	770,135	784,691	784,691
Trade and other receivables	45,117	164,482	164,482
Total financial assets	815,252	949,173	949,173
Financial liabilities			
Financial liabilities at fair value			
Payables to CCF Australia - previous year adjustment	470,616	451,344	-
Trade and other payables	98,830	75,667	75,667
Total financial liabilities	569,446	527,011	75,667

15 Prior period adjustments

It was resolved by the Board that the profits CCFRO received from members and operations should be in fact held by CCFA. The adjustment of \$554,901 have been calculated for the period of January 2019 to 30 June 2022 to reflect the moving forward structure.

The aggregate effect of the error on the annual financial statements for the year ended 30 June 2022 is as follows:

	Previously stated	30 June 2022 Adjustments	2022 Restated
	\$	\$	\$
Statement of Financial Position			
Payables to CCF Australia - previous year adjustment	-	451,344	451,344
Borrowings	15,721,484	103,557	15,825,041

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Notes to the Financial Statements For the Year Ended 30 June 2023

16 Key Management Personnel Remuneration

The remuneration paid to key management personnel of Civil Contractors Federation during the year s as follows:

	2023	2022
	\$	\$
Short-term employee benefits	-	282,734
Long-term benefits	-	27,773
	<u>-</u>	<u>310,507</u>

17 Contingencies

In the opinion of the Board, the Entity did not have any contingencies at 30 June 2023 (30 June 2022:None).

18 Related Parties

(a) **The Entity's main related parties are as follows:**

Key management personnel - refer to Note 16.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Civil Contractors Federation

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Notes to the Financial Statements
For the Year Ended 30 June 2023

18 Related Parties

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	2023	2022
	\$	\$
Related party payables		
CCF (VIC) Ltd	2,014,283	2,077,583
CCF (QLD) Ltd	5,557,286	5,737,286
CCF (SA) Ltd	5,986,022	6,173,522
CCF (WA) Ltd	1,808,810	1,836,650
	<u>15,366,401</u>	<u>15,825,041</u>
CCF (VIC) Ltd		
Carrying amount at beginning of year	2,077,583	2,140,833
Rent	(63,300)	(63,300)
	<u>2,014,283</u>	<u>2,077,533</u>
CCF (QLD) Ltd		
Carrying amount at beginning of year	5,737,286	5,917,286
Rent	(180,000)	(180,000)
	<u>5,557,286</u>	<u>5,737,286</u>
CCF (SA) Ltd		
Carrying amount at beginning of year	6,173,522	6,361,022
Rent	(187,500)	(187,500)
	<u>5,986,022</u>	<u>6,173,522</u>
CCF (WA) Ltd		
Carrying amount at beginning of year	1,836,650	1,864,490
Rent	(27,840)	(27,840)
	<u>1,808,810</u>	<u>1,836,650</u>

Civil Contractors Federation

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Notes to the Financial Statements

For the Year Ended 30 June 2023

19 Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:

	2023	2022
	\$	\$
Surplus for the year	(119,628)	21,011
Non-cash flows in profit:		
- amortisation	-	45,492
- depreciation	458,268	458,268
- non-cash income	(458,376)	(458,640)
Changes in assets and liabilities:		
- decrease in trade and other receivables	119,364	33,921
- (increase) in prepayments	(4,174)	-
- increase/(decrease) in trade and other payables	42,435	(15,795)
- (decrease)/increase in employee benefits	(52,445)	8,793
Cashflows from operations	<u>(14,556)</u>	<u>93,050</u>

20 Events After the End of the Reporting Period

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

21 Statutory Information

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

Civil Contractors Federation National
11 National Circuit, Barton
Canberra ACT 2600

Civil Contractors Federation

Independent Audit Report to the members of Civil Contractors Federation

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Civil Contractors Federation (the Entity), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the committee of management statement, the subsection 255 (2A) report and the officer declaration statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Civil Contractors Federation as at 30 June 2023 and its financial performance and its cash flows for the year ended on that date in accordance with:

- (i) the Australian Accounting Standards; and
- (ii) 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).

We declare that management's use of the going concern basis in the preparation of the financial statements of the reporting unit is appropriate.

Basis for Opinion

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

We confirm that the independence declaration, which has been given to the committee of managements of the Entity, would be in the same terms if given to the committee of managements as at the time of this auditor's report.

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

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.

Civil Contractors Federation

Independent Audit Report to the members of Civil Contractors Federation

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, We conclude that there is a material misstatement of this other information, We are required to report that fact. We have nothing to report in this regard.

Responsibilities of Committee Of Managements for the Financial Report

The committee of managements of the Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009 (RO Act)* and for such internal control as the committee of managements determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee of managements are responsible for assessing the Entity'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 managements either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the reporting unit's internal control.

Civil Contractors Federation


Independent Audit Report to the members of Civil Contractors Federation

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.
- 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 reporting unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the reporting unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the reporting unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the reporting unit audit. I remain solely responsible for my 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 my audit.

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

Hardwicks
Chartered Accountants


Bhaumik Bumia CA
Partner

Canberra