



25 March 2015

Mr Robert Row  
Civil Contractors Federation  
[rrow@civilcontractors.com](mailto:rrow@civilcontractors.com)

CC: Michael Shuman, Alan O'Toole, Stannards Accountants and Advisors,  
[advisors@stannards.com.au](mailto:advisors@stannards.com.au)

Dear Mr Row,

**Civil Contractors Federation  
Financial Report for the year ended 30 June 2014 - [FR2014/159]**

I acknowledge receipt of the amended financial report of the Civil Contractors Federation. The documents were lodged with the Fair Work Commission on 12 March 2015.

Thank you for undertaking the further steps to refile the report. Please ensure that the updated report is provided to the membership. 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.

Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

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

**Timelines**

I note the organisation's explanation of the late lodgement of its report and emphasise that legislative timeframes, including the requirement to lodge the report with the Commission within 14 days of the section 266 meeting, must be complied with.

The Commission will confirm compliance before filing next year's report; non compliance for a third year may be referred to the Compliance Team for their consideration.

**Board Membership Information**

I note that the organisation has provided Board Membership information for 'officers & employees who are directors of a company or a member of a board' within the Operating Report. While some board information, relating to superannuation boards and financial disclosures of officers, is still required, the vast majority of this information is no longer required under the Reporting Guidelines.

Please ensure that the organisation continues to provide the required board information, but whether it chooses to supply information beyond that mandated by the legislation, regulations and reporting guidelines is ultimately up to the organisation.

The fourth edition of the Reporting Guidelines, removing this requirement, was published on 13 June 2014. Please confirm that the reporting unit is using the most current Reporting Guidelines.

### **Revenue recognition**

The Australian Accounting Standard *AASB 101 Presentation of Financial Statements* paragraph 117 and *AASB 118: Revenue* paragraph 35(a) requires that the entity must disclose the measurement basis or bases used in recognising revenue.

While the organisation has disclosed the accounting policy for member subscriptions, the accounting policies for the organisation's main sources of revenue, including for National Office Contributions and Industry Rebates & Incentives, have not been disclosed.

### **Membership Subscriptions**

The report includes a policy for recognition of membership subscriptions, but it appears to be almost the only mention within the report of the term. The Reporting Guidelines require that the report states the amount of membership subscriptions the reporting unit receives, even if this amount is NIL. This can be done by including a one line explanation that no membership subscriptions were received by the unit or by leaving a NIL line item within the statement of comprehensive income or accompanying revenue note.

### **Reporting Requirements**

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the 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) 8661 7974 or via email at [catherine.bebbington@fwc.gov.au](mailto:catherine.bebbington@fwc.gov.au).

Yours sincerely



**CATHERINE BEBBINGTON**  
Regulatory Compliance Branch

### **FAIR WORK COMMISSION**

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12 March 2015

Fair Work Commission  
GPO Box 1994  
MELBOURNE VIC 3001

Attention: Bernadette O'Neill

By Email: [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)

***Civil Contractors Federation***

*s.268 Fair Work (Registered Organisations) Act 2009*

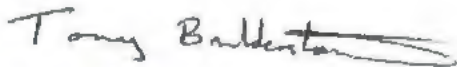
**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER**

Certificate for the period ended *30 June 2014*

I *Tony Baulderstone* being the *National President* of the *Civil Contractors Federation* certify:

- that following correspondence with Catherine Bebbington of your Office, the documents lodged herewith are copies of the Amended full report for the *Civil Contractors Federation* for the period ended *30 June 2014* referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*
- The *Civil Contractors Federation* acknowledges the late lodgement of this report and apologises for this administrative oversight that took place during a time of significant restructure within the organisation. The *Civil Contractors Federation* will ensure a recurrence of this event does not occur.

Yours sincerely

Date:	12 March 2015
Signature of prescribed designated officer:	
Name of prescribed designated officer:	Tony Baulderstone
Title of prescribed designated officer:	National President

**CIVIL CONTRACTORS FEDERATION**

**(NATIONAL OFFICE)**

**ABN 41 639 349 350**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 June 2014**

**Contents**

Operating Report .....	1 - 3
National Office Board Statement .....	4
Auditor's Independence Declaration .....	5
Statement of Profit and Loss .....	6
Statement of Comprehensive Income .....	7
Statement of Financial Position .....	8
Statement of Changes in Members' Fund .....	9
Statement of Cash Flows .....	10
Notes to the Financial Statements .....	13 - 33
Auditor's Report .....	34 - 35

## **Operating Report for the Year Ended 30 June 2014**

### **Principal Activities** s254(2)9a)

The principal activities of the National Office during the financial year were to promote, protect and advance the interest of its members engaged in any manner of civil contracting and/or ancillary industries.

The National Office operates predominantly in one business and geographical segment, being a representative body of civil construction contractors in Australia, 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 awards rates of and work practices to members of the National Office throughout Australia. The Federation represents its members at all levels of Government and lobbies for concessions relating to civil construction and business trade.

### **Results of principal activities** s254(2)(a)

The result of the CCFNO is a surplus of \$26,929 (2013: adjusted deficit of \$298,474). Excluding abnormal items, CCFNO generated a surplus of \$110,314. CCFNO's revenue decreased by some \$0.65 million this year due to a fall in sponsorships, joint-venturing of the National Conference and restructuring of operations. Expenditure also decreased in 2014, given the restructuring of the operation. The physical office was closed, staff were made redundant and a committee appointed to conduct the operations of the National Office, comprising CEOs of various state branches. The overall result of the National Office is pleasing given the outflows in the early part of the financial year.

The net assets of CCFNO fell this year to \$0.48 million. At reporting date, CCFNO has a working capital surplus of \$0.35 million and can pay its debts when they fall due.

Overall, CCFNO continues to service the branches and its members in all facets of Civil Contracting. Value added advice and services to members are the key objective of the Federation. Service delivery will not fall, despite the deficit incurred in 2014. Ongoing industrial relations advice, government lobbying and training continue to be provided.

### **Significant changes in nature of principal activities** s254(2)(a)

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

### **Significant changes in the National Office's financial affairs** s254(2)(b)

No matters or circumstances arose during the reporting year which significantly affected the financial affairs of the National Office.

### **Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme** s254(2)(d)

No officer, or member holds a dedicated position as a superannuation trustee under s254(2)(d) of the Fair Work (Registered Organisations) Act 2009.

### **Number of Members** reg 159(a)

The number of persons who, at the end of the financial year, were recorded on the Register of members was: 1,503 Members and 810 Associate Members. At the end of the previous financial year there were 1,559 Members and 770 Associate Members.

### **Number of Employees** reg 159(b)

The number of persons who were, at the end of the financial year, employees of the NAT National Office was nil (2013: 5)

**Operating Report  
for the Year Ended 30 June 2014**

**National Board Members** *reg 159(c)*

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

Title	Name	Period of Office
National President	Ross Barrett	1-7-2013 to 25-10-2013
National President	Tony Baulderstone	25-10-2013 to 30-06-2014
Vice President	Tony Baulderstone	1-7-2013 to 25-10-2013
Vice President	Michael Unger	25-10-2013 to 30-06-2014
Honorary Treasurer	Pat Dwyer	1-7-2013 to 25-10-2013
Honorary Treasurer	Gary Gardiner	25-10-2013 to 30-06-2014
Board Member	Mick Boyle	25-10-2013 to 30-06-2014
Board Member	Gary Gardiner	1-7-2013 to 25-10-2013
Board Member	Adrian Granger	25-10-2013 to 30-06-2014
Board Member	Peter Kendall	1-7-2013 to 30-6-2014
Board Member	Chris Reynolds	25-10-2013 to 30-06-2014
Board Member	Mark Shultz	1-7-2013 to 25-10-2013
Board Member	Michael Unger	1-7-2013 to 25-10-2013
Board Member	Robert Wilson	1-7-2013 to 30-6-2014
Board Member	Nick Zardo	1-7-2013 to 30-6-2014
Alternate Board Member	Andrew Crompton	1-7-2013 to 30-6-2014
Alternate Board Member	Michael Cull	25-10-2013 to 30-06-2014
Alternate Board Member	Robert Dahan	1-7-2013 to 30-6-2014
Alternate Board Member	David Della-Bona	1-7-2013 to 30-6-2014
Alternate Board Member	Adrian Granger	1-7-2013 to 25-10-2013
Alternate Board Member	Andrew Mahar	1-7-2013 to 30-6-2014
Alternate Board Member	Dennis McDonald	1-7-2013 to 25-10-2013
Alternate Board Member	Chris Reynolds	1-7-2013 to 25-10-2013
Alternate Board Member	Phillip Sydney	25-10-2013 to 30-06-2014
Alternate Board Member	Gavin Turner	1-7-2013 to 30-6-2014

**Operating Report  
for the Year Ended 30 June 2014**

**Officers & employees who are directors of a company or a member of a board**

Details of officers and employees, who are directors of a company or a member of a board, are as follows:

Name of Officeholder	Name of Company or Board	Position Held	Principal Activity of Company or Board	Position Held because officer or employee of Union or nominated by Union or Peak Council
Michael Unger	Construction Training Fund	Director	Training Fund Arrangements	Yes
Mick Boyle				No
				No
				No
				No
Gary Gardiner				No
Adrian Granger				No
Peter Kendall				No
Chris Reynolds	No			
Mark Shultz	No			



**Operating Report  
for the Year Ended 30 June 2014**

**Officers & employees who are directors of a company or a member of a board (cont'd)**

Details of officers and employees, who are directors of a company or a member of a board, are as follows:

Name of Officeholder	Name of Company or Board	Position Held	Principal Activity of Company or Board	Position Held because officer or employee of Union or nominated by Union or Peak Council
Robert Dahan				No
David Della-Bona				No
				No
				No
				No
				No
				No
				No
Andrew Mahar				No
Gavin Turner				No

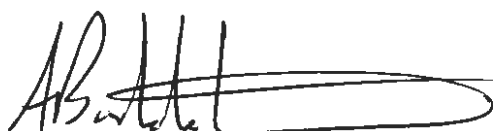
**Operating Report  
for the Year Ended 30 June 2014**

**Manner of resignation**

Members may resign from the National Office in accordance with Section 174 of the Fair Work (Registered Organisations) Act 2009 and with 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 Civil Contractors Federation by written notice addressed and delivered to the Chief Executive Officer (National).
- (b) A notice of resignation from membership of the National Office takes effect:
  - (i) at the end of two weeks after the notice is received by the National Office: 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 National Office in relation to a period before the Member's resignation from the National Office took effect, may be sued for and recovered in the name of the National Office, in a court of competent jurisdiction, as a debt due to the National Office.
- (d) A notice delivered to the person mentioned in subrule (1) shall be taken to have been received by the National Office when it was delivered.
- (e) A notice of resignation that has been received by the National Office 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 National Office 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 National Office that the resignation has been accepted."



**National President**

Dated in Sydney this 27<sup>th</sup> day of February 2015

**National Office Board Statement  
for the Year Ended 30 June 2014**

On 28 August 2014 the Board of the Civil Contractors Federation (National Office) passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2014:

The National Board 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 the reporting guidelines of the General Manager of FWC;
- (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;
- (e) during the financial year to which the GPFR relates and since the end of that year;
  - (i) meetings of the National Board 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 Fair Work (Registered Organisations) Act 2009, and the Fair Work (Registered Organisations) Regulations 2009; and
  - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - (v) No requests were received from any member of the reporting unit or a General Manager of FWC for information under section 272 of the Fair Work (Registered Organisations) Act 2009; and
  - (vi) No orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (c) In relation to recovery of wage activity, there has been no recovery of wage activities during the year.

For the National Board:



**National Office President**

Dated in Sydney this 27<sup>th</sup> day of February 2015

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE BOARD OF THE  
CIVIL CONTRACTORS FEDERATION – NATIONAL OFFICE**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2014 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



Michael Shulman  
Partner (Registered Company Auditor: 163888)  
Holder of Current Public Practice Certificate  
Approved Auditor (FWC Act and Regulations)

Dated 27/2/15

**Statement of Profit and Loss  
for the Year Ended 30 June 2014**

	Note	2014 \$	2013 \$
Revenue	2	1,384,987	1,931,504
Accountancy Fees		(52,445)	(64,430)
Audit Fees	3a	(9,055)	(6,900)
CCF Online		-	(33,141)
CMS Expenses		-	(10,485)
Computer and IT Costs		(82,940)	(71,560)
Depreciation		(75,484)	(49,880)
Earth Awards Expenses		(393,985)	(352,524)
Insurance		(32,811)	(39,286)
Legal Costs – Litigation		-	-
Legal Costs - Other		(57,391)	(16,475)
Meeting Expenses		(69,023)	(42,780)
National Communication Costs		(60,569)	(66,826)
National Conference and Function Expenses		(193,433)	(651,018)
National Lobbying / Representation / Travel		(75,933)	(79,535)
Rent		(17,523)	(53,972)
Repairs & Maintenance		-	(787)
Salaries & On Costs - Officeholders		-	-
Salaries & On Costs - Employees		(123,070)	(592,892)
Services Costs – National Accounting Function		(50,094)	-
National Publications		(10,162)	(31,092)
Stationery and Printing Costs		(688)	(18,306)
Write back of Provisions		106,847	-
Other Expenses		(76,914)	(48,089)
<b>Profit/(Loss) from ordinary activities before income tax expense</b>		110,314	(298,474)
<b>Significant Items:</b>			
Redundancies		(68,980)	-
Restructuring Costs		(14,405)	-
<b>Profit before income tax</b>		26,929	(298,474)
<b>Income tax expense</b>	1a	-	-
<b>Net (loss)/profit after income tax expense attributable to the Federation</b>		26,929	(298,474)

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income  
for the Year Ended 30 June 2014**

	2014 \$	2013 \$
(Loss)/Profit for the period	26,929	(298,474)
Other Comprehensive Income for the period	-	-
Total Comprehensive Income for the period	26,929	(298,474)
Total Comprehensive (Deficit)/Income attributable to members of the organisation	26,929	(298,474)

The accompanying notes form part of the financial statements



**Statement of Financial Position  
as at 30 June 2014**

	Note	2014 \$	2013 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	221,669	269,323
Trade and other receivables	5	156,608	427,032
<b>TOTAL CURRENT ASSETS</b>		<b>378,277</b>	<b>696,355</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and equipment	6	128,884	212,175
<b>TOTAL NON-CURRENT ASSETS</b>		<b>128,884</b>	<b>212,175</b>
<b>TOTAL ASSETS</b>		<b>507,161</b>	<b>908,530</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	29,812	133,571
Provisions	8	-	176,539
Prepaid Income		-	148,000
<b>TOTAL CURRENT LIABILITIES</b>		<b>29,812</b>	<b>458,110</b>
<b>TOTAL LIABILITIES</b>		<b>29,812</b>	<b>458,110</b>
<b>NET ASSETS</b>		<b>477,349</b>	<b>450,420</b>
<b>MEMBERS' FUNDS</b>			
Accumulated Surplus		477,349	450,420
<b>TOTAL MEMBERS' FUNDS</b>		<b>477,349</b>	<b>450,420</b>

The accompanying notes form part of the financial statements

**Statement of Changes in Members' Fund  
for the Year Ended 30 June 2014**

	\$
Balance as at 1 July 2012	748,894
Profit /(Loss) attributable to members	<u>(298,474)</u>
Balance at 30 June 2013	<u>450,420</u>

	\$
Balance as at 1 July 2013	450,420
Profit /(Loss) attributable to members	<u>26,929</u>
Balance at 30 June 2014	<u>477,349</u>

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The accompanying notes form part of the financial statements

**Statement of Cash Flows  
For the Year ended 30 June 2014**

	Note	2014 \$	2013 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members and customers		585,437	935,285
Interest Received		4,240	16,479
Receipts from CCF Branches	11f	944,716	929,969
Other Revenue		41,051	136,876
Payments to employees		(192,050)	(592,892)
Payments to CCF Branches	11f	(198,116)	(174,088)
Payments to suppliers		(1,214,872)	(1,647,262)
<b>Net cash provided by operating activities</b>	12b	<b>(29,594)</b>	<b>(395,633)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Plant Acquired		(19,340)	(14,826)
Proceeds from disposal		1,280	-
<b>Net cash (used) in investing activities</b>		<b>(18,060)</b>	<b>(14,826)</b>
<b>Net (decrease)/increase in cash held</b>		<b>(47,654)</b>	<b>(410,459)</b>
Cash at the beginning of the financial year		269,323	679,782
<b>Cash at the end of the financial year</b>	12a	<b>221,669</b>	<b>269,323</b>

The accompanying notes form part of the financial statements

## Notes to the Financial Statements for the Year Ended 30 June 2014

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Fair Work (Registered Organisations) Act 2009.

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

#### Basis of Preparation

The financial report of Civil Contractors Federation (national office) as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) for their entirety. The Civil Contractors Branch (National Office) is a 'not for profit' organisation.

The financial report has been prepared on an accrual basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets..

Cost is based on fair values of consideration given in exchange for assets.

The accounting policies set out below have been consistently applied, unless otherwise stated.

#### Accounting Policies

**a. Income Tax**

The National Office 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 and 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.

The depreciation rates used for each class of assets are:

<u>Class of Fixed Assets</u>	<u>Depreciation Rate</u>
Plant & Equipment	10% – 30%

## Notes to the Financial Statements for the Year Ended 30 June 2014

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

#### c. Plant and Equipment (cont'd)

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. Financial Instruments

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.

#### e. Employee Benefits

##### Short-term employee benefits

Provision is made for the National Office'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 National Office'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 National Office's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the National Office 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.

**Notes to the Financial Statements  
for the Year Ended 30 June 2014**

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

**e. Employee Benefits (cont'd)**

**Superannuation**

Contributions are made by the National Office to employee superannuation funds and are expensed when incurred. The National Office 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.

**f. Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the National Office are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a written down value basis over their estimated useful lives where it is likely that the National Office will obtain ownership of the asset over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**g. 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.

**h. Revenue**

Revenue from membership subscriptions is recognised proportionately over the period to which it relates. Any contribution received in advance for the next period is included in deferred income.

Revenue from the rendering of a service is recognised in proportion to the stage of completion of the service.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.



**Notes to the Financial Statements  
for the Year Ended 30 June 2014**

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

**i. Comparative figures / Opening Balances**

Include in sundry debtors and prepayments as an asset in the 30 June 2013 annual accounts was an amount of \$100,000 for sponsorships receivable from third parties. Subsequent the end of that year, it was determined that such sponsorship would not be received given the pre-conditions for receipt during the 2013 financial year had not been achieved.

An adjustment has been made to 2013 comparative figures in this report to remove the effects of the overstatement of sundry debtors and prepayments at 30 June 2013, as follows:-

	<b>Reported in 2013 Annual Report \$</b>	<b>Adjustment \$</b>	<b>2013 adjusted comparative figures reported in 2014 Annual Report \$</b>
<b>Balance Sheet Impact:-</b>			
Sundry Debtors & Prepayments	499,032	(100,000)	399,032
Net Assets / Member Funds	550,420	(100,000)	450,420
<b>Profit / (Loss) Impact:-</b>			
Sponsorships Revenue	502,558	(100,000)	402,558
Net loss / (profit) after income tax	(198,474)	(100,000)	(298,474)

The loss reported in 2013 is now shown as \$298,474, (not \$198,474), given the above facts which were determined subsequent to execution and lodgement of the 2013 Annual Financial Report.

**j. Operating Segment**

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

The Federation 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 Branch throughout Australia.

**k. Cash and Cash Equivalents**

For the purposes of the Cash Flow Statement, cash and cash equivalents include cash on hand, cash at bank and investments in money market instruments.

**l. Financial Instruments**

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 Statement of Profit and Loss.

## Notes to the Financial Statements for the Year Ended 30 June 2014

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

#### m. Fair Value of Assets and Liabilities

The National Office 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 National Office would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie. 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 (ie. 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 and transport 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 entity'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. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statement.

#### n. Capitation Fees / National Office Contributions

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

#### o. Critical Accounting Estimates and Judgements

The Board evaluates estimates and judgments 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 National Office.

##### *Key Estimates – Impairment*

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

No impairment has been recognised in respect of any assets for the year ended 30 June 2014, except as stated in this report.

##### *Key Judgements - Doubtful Debts Provision*

The Board have assessed each debtor and have estimated no provision for doubtful debts is

required (2013: \$nil). The Board believes that the full amount of the debtors are recoverable.

## Notes to the Financial Statements for the Year Ended 30 June 2014

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

#### p. New Accounting Standards for Application in Future Periods

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the National Office, together with an assessment of the potential impact of such pronouncements on the National Office when adopted in future periods, are discussed below:

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2017).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes made to the Standard that may affect the National Office on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of AASB 9, the application of such accounting would be largely prospective.

Although the National Office anticipate that the adoption of AASB 9 may have an impact on the National Office's financial instruments, including hedging activity, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 2012-3: *Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities* (applicable to annual reporting periods commencing on or after 1 January 2014).

This Standard provides clarifying guidance relating to the offsetting of financial instruments, which is not expected to impact the National Office's financial statements.

- Interpretation 21: *Levies* (applicable for annual reporting periods commencing on or after 1 January 2014).

Interpretation 21 clarifies the circumstances under which a liability to pay a levy imposed by a government should be recognised, and whether that liability should be recognised in full at a specific date or progressively over a period of time. This Interpretation is not expected to significantly impact the National Office's financial statements.

- AASB 2013-3: *Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets* (applicable for annual reporting periods commencing on or after 1 January 2014).

This Standard amends the disclosure requirements in AASB 136: *Impairment of Assets* pertaining to the use of fair value in impairment assessment and is not expected to significantly impact the National Office's financial statements.

## Notes to the Financial Statements for the Year Ended 30 June 2014

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

#### p. New Accounting Standards for Application in Future Periods

- AASB 2013-4: *Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting* (applicable for annual reporting periods commencing on or after 1 January 2014).

AASB 2013-4 makes amendments to AASB 139: *Financial Instruments: Recognition and Measurement* to permit the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. This Standard is not expected to significantly impact the National Office's financial statements.

- AASB 2013-5: *Amendments to Australian Accounting Standards – Investment Entities* (applicable for annual reporting periods commencing on or after 1 January 2014).

AASB 2013-5 amends AASB 10: *Consolidated Financial Statements* to define an "investment entity" and requires, with limited exceptions, that the subsidiaries of such entities be accounted for at fair value through profit or loss in accordance with AASB 9 and not be consolidated. Additional disclosures are also required. As the National Office does not meet the definition of an investment entity, this Standard is not expected to impact the National Office's financial statements.

#### q. Information to be provided to Members or General Manager of FWC

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-section (1), (2) and (3) of Section 272 which reads as follows:-

1. A member of a reporting unit, or the General Manager, FWC, may apply to the reporting unit for a 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).

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

	2014 \$	2013 \$
<b>NOTE 2: REVENUE</b>		
Operating activities:		
Sponsorships	100,000	402,558
National Office Contributions	754,259	739,958
National Conference & Earth Awards	227,112	681,421
NTRU Funding	-	-
CCF/IBC Income	50,000	51,169
Interest Received	4,240	16,479
CMS Income	-	-
Donations / Grants	-	-
Compulsory & Voluntary Levy	-	-
Industry Rebates & Incentives	208,325	-
Other Revenue	41,051	39,919
<b>Total Revenue</b>	<b>1,384,987</b>	<b>1,931,504</b>
<b>NOTE 3: LOSS FROM ORDINARY ACTIVITIES</b>		
The operating (loss) of the National Office before income tax expense has been determined after:		
<b>a. Auditor's Remuneration – audit of financial statements</b>	<b>9,055</b>	<b>6,900</b>
<b>b. Depreciation</b>		
Plant and equipment	75,484	49,880
<b>c. Other Expenses</b>		
Donations	-	-
Penalties – RO Act and Regulations	-	-
Consideration to Employers making Payroll Deductions	-	-
Affiliation Fees	-	-
<b>NOTE 4: CASH AND CASH EQUIVALENTS</b>		
<b>Current</b>		
Cash at bank	221,669	265,901
Petty Cash	-	100
Security Deposit	-	3,322
	<b>221,669</b>	<b>269,323</b>

The weighted average interest rate for cash as at 30 June 2014 is 2.75% (2013: 2.75%)

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

	2014 \$	2013 \$
<b>NOTE 5: TRADE AND OTHER RECEIVABLES</b>		
<b>a. Current</b>		
Sundry Debtors and Prepayments	122,608	399,032
CCF/IBC Partnership Loan Account	34,000	28,000
	<u>156,608</u>	<u>427,032</u>
<b>b. Terms and Conditions</b>		
Details of the sundry debtors owing from related parties are outlined at Note 10. No debtors are outside of agreed trading terms.		
<b>NOTE 6: PLANT AND EQUIPMENT</b>		
Plant and equipment – at cost	270,706	342,470
Less: Accumulated depreciation	(141,822)	(131,309)
	<u>128,884</u>	<u>211,161</u>
Furniture and Fittings – at cost	-	3,403
Less: Accumulated depreciation	-	(2,389)
	<u>-</u>	<u>1,014</u>
Total fixed assets – net book value	<u>128,884</u>	<u>212,175</u>
<b>Reconciliation of movements in plant and equipment</b>		
<b>Plant and equipment</b>		
Carrying amount at beginning of the year	211,161	246,099
Additions	19,340	14,826
Disposals	(26,290)	-
Depreciation expense	(75,327)	(49,764)
Carrying amount at end of the year	<u>128,884</u>	<u>211,161</u>
<b>Furniture and Fittings</b>		
Carrying amount at beginning of the year	1,014	1,129
Additions	-	-
Disposals	(857)	-
Depreciation expense	(157)	(115)
Carrying amount at end of the year	<u>-</u>	<u>1,014</u>



**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

	2014 \$	2013 \$
<b>NOTE 7: TRADE AND OTHER PAYABLES</b>		
<b>a. Current</b>		
Trade Creditors	34,253	107,013
Sundry Payables	(4,441)	26,558
	29,812	133,571

**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. Amount payable to related parties are set out in Note 10.

**NOTE 8: PROVISIONS**

	2014 \$	2013 \$
<b>Current</b>		
Provision for Annual Leave (i)	-	54,915
Provision for Long Service Leave (i)	-	14,777
Provision – Diesel Fuel Campaign (ii)	-	17,272
Provision for Industry Action (ii)	-	89,575
	-	176,539

(i) These provisions accrue directly to employees of the Federation.

(ii) Written back in 2014 given fully utilized in prior periods.

**Number of employees at year-end**

-	5
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Of the amounts owing above, they are payable as follows:-

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	2014 \$	2013 \$	2014 \$	2013 \$	2014 \$	2013 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	54,915	-	14,777	-	69,692
<b>Total</b>	-	54,915	-	14,777	-	69,692

There are no provisions for separation and redundancy or other provisions for officeholders or other employees (2013: \$nil)

**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 National Office 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 National Office 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

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 9: EMPLOYEE BENEFITS**

Employee benefits paid/accrued during the year	Elected Officials (Office holders)		Employees (other than Elected Officials)		Total	
	2014 \$	2013 \$	2014 \$	2013 \$	2014 \$	2013 \$
Wages and Salaries	-	-	109,194	479,993	109,194	479,993
Annual Leave and Long Service Leave	-	-	(10,713)	46,751	(10,713)	46,751
Redundancy Payments	-	-	68,980	-	68,980	-
Payroll Tax	-	-	12,890	23,390	12,890	23,390
Superannuation	-	-	11,699	42,758	11,699	42,758
<b>Total</b>	-	-	<b>192,050</b>	<b>592,892</b>	<b>192,050</b>	<b>592,892</b>

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 10: FINANCIAL RISK MANAGEMENT**

**Financial Risk Management Policies**

The National Office's financial instruments consist mainly of deposits with banks, short term investments, accounts receivable and payable, and investments in an unlisted company.

The National Office does not have any derivative instruments at 30 June 2014.

**i. Terms, Conditions and Accounting Policies**

The National Office'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 Branch 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.

**iii. Financial Risk Exposures and Management**

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

**Liquidity risk**

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

**Interest rate risk**

The National Office 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 2014, 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:

	2014 \$	2013 \$
<b>Change in profit/(loss)</b>		
Increase in interest rate by 1%	2,217	2,692
Decrease in interest rate by 1%	(2,217)	(2,692)
<b>Change in equity</b>		
Increase in interest rate by 1%	2,217	2,692
Decrease in interest rate by 1%	(2,217)	(2,692)

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

## Notes to the Financial Statements for the Year Ended 30 June 2014 (cont'd)

### NOTE 10: FINANCIAL RISK MANAGEMENT (cont'd)

#### Interest Rate Risk

The National Office'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 \$	1 year or less \$	1 to 5 years \$	Over 5 years \$	Fixed Interest Rate Maturities Non Interest Bearing \$	Total \$
<b>30 June 2013</b>							
<b>Assets:</b>							
Cash	2.75	269,223	-	-	-	100	269,323
Trade and Sundry Debtors		-	-	-	-	427,032	427,032
		269,223	-	-	-	427,132	696,355
<b>Liabilities:</b>							
Sundry Creditors & Other Liabilities		-	-	-	-	(458,110)	(458,110)
		-	-	-	-	(458,110)	(458,110)
Net financial assets		269,223	-	-	-	(30,978)	238,245
<b>30 June 2014</b>							
<b>Assets:</b>							
Cash	2.75	221,669	-	-	-	-	221,669
Trade and Sundry Debtors		-	-	-	-	156,608	156,608
		221,669	-	-	-	156,608	378,277
<b>Liabilities:</b>							
Sundry Creditors & Other Liabilities		-	-	-	-	(29,812)	(29,812)
		-	-	-	-	(29,812)	(29,812)
Net financial assets		221,669	-	-	-	126,796	348,465

#### 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 National Office is not materially exposed to any individual credit risk.

#### 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.

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 11: RELATED PARTIES**

**a. National Office Board members**

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

Ross Barrett, Tony Baulderstone, Michael Unger, Pat Dwyer, Gary Gardiner, Mick Boyle, Adrian Granger, Peter Kendall, Chris Reynolds, Mark Shultz, Robert Wilson, Nick Zardo, Andrew Crompton, Michael Cull, Robert Dahan, David Della-Bona, Andrew Mahar, Dennis McDonald, Phillip Sydney and Gavin Turner.

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

The officeholders received no 'non cash' benefits (2013: \$nil). No officeholder of the National Office 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 National Office (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 National Office; or
- ii) They were nominated for the position by the National Office; or
- iii) They received remuneration from any third party, in connection with the performance of their duties as an officeholder of the National Office.

**b. Names and positions held by key management personnel in office at any time during the year**

Trevor Grassati - Chief Executive Officer (replaced by Branch CEO Committee during the year).

c. Key Management Personnel Remuneration	2014			2013		
	Short Term Benefits	Post Employment Benefits	Total	Short Term Benefits	Post Employment Benefits	Total
	\$	\$	\$	\$	\$	\$
Total Compensation	94,729	8,762	103,491	183,486	16,514	200,000

d. Annual Leave and Long Service Leave Accrued for Key Management Personnel at end of the Year	2014			2013		
	Annual Leave	Long Service Leave	Total	Annual Leave	Long Service Leave	Total
	\$	\$	\$	\$	\$	\$
Total Leave Provision	-	-	-	17,915	-	17,915

No termination benefits or share based payments were received, except as already disclosed in this report.

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 11: RELATED PARTIES (cont'd)**

**e. Transactions with National Office, Branches and Related Entities**

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

**f. Related Party balances at year end**

Amounts receivable/(payable) at reporting date – Federal office and other branches	2014 \$	2013 \$
Victoria Branch	(14,435)	(2,605)
Queensland Branch	(17,602)	(58,145)
South Australia Branch	5,313	12,268
Western Australia Branch	(5,356)	(1,140)
NSW Branch	9,846	8,139
Northern Territory Branch	-	-
Tasmania Branch	-	-
ACT Branch	-	-
	<u>(22,234)</u>	<u>(41,483)</u>
<b>Balance Reconciliation- related entities</b>		
<b>Victoria Branch</b>		
Carrying amount at beginning of the year	(2,605)	(15,469)
Levy income	173,312	171,417
Sundry income	46,377	51,472
Sundry charges	(111,024)	(20,815)
Receipts	(218,201)	(248,165)
Payment made	97,706	58,955
Carrying amount at end of the year	<u>(14,435)</u>	<u>(2,605)</u>
<b>Queensland Branch</b>		
Carrying amount at beginning of the year	(58,145)	(28,388)
Levy income	185,517	185,000
Sundry income	137,439	25,827
Sundry charges	-	(10,670)
Receipts	(289,112)	(229,914)
Payment made	6,699	-
Carrying amount at end of the year	<u>(17,602)</u>	<u>(58,145)</u>
<b>South Australia Branch</b>		
Carrying amount at beginning of the year	12,268	34,370
Levy income	167,661	184,000
Sundry income	1,028	4,210
Sundry charges	(36,011)	(28,445)
Receipts	(171,232)	(213,823)
Payment made	31,599	31,956
Carrying amount at end of the year	<u>5,313</u>	<u>12,268</u>
<b>Western Australia Branch</b>		
Carrying amount at beginning of the year	(1,140)	(5,196)
Levy income	71,403	58,374
Sundry income	1,967	5,364
Sundry charges	(55,973)	(37,794)
Receipts	(77,390)	(58,929)
Payment made	55,777	37,041
Carrying amount at end of the year	<u>(5,356)</u>	<u>(1,140)</u>



**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 11: RELATED PARTIES (cont'd)**

**f. Related Party balances at year end (cont'd)**

	2014 \$	2013 \$
NSW Branch		
Carrying amount at beginning of the year	8,139	5,204
Levy income	116,641	107,700
Sundry income	31,005	22,209
Sundry charges	(3,226)	(27,889)
Receipts	(148,223)	(144,671)
Payment made	5,510	45,586
Carrying amount at end of the year	<u>9,846</u>	<u>8,139</u>
Northern Territory Branch		
Carrying amount at beginning of the year	-	-
Levy income	19,725	16,300
Sundry income	-	-
Sundry charges	-	-
Receipts	(19,725)	(16,300)
Payment made	-	-
Carrying amount at end of the year	<u>-</u>	<u>-</u>
Tasmania Branch		
Carrying amount at beginning of the year	-	-
Levy income	10,000	8,000
Sundry income	-	-
Sundry charges	(825)	(550)
Receipts	(10,000)	(8,000)
Payment made	825	550
Carrying amount at end of the year	<u>-</u>	<u>-</u>
ACT Branch		
Carrying amount at beginning of the year	-	-
Levy income	10,000	9,167
Sundry income	833	-
Sundry charges	-	-
Receipts	(10,833)	(9,167)
Payment made	-	-
Carrying amount at end of the year	<u>-</u>	<u>-</u>

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

	2014 \$	2013 \$
<b>NOTE 12: CASH FLOW INFORMATION</b>		
<b>a. Reconciliation of Cash</b>		
Cash at Bank	221,669	269,323
	<u>221,669</u>	<u>269,323</u>
<b>b. Reconciliation of (loss) from ordinary activities after income tax to net cash provided by operating activities</b>		
(Loss) from Ordinary Activities after income tax	26,929	(298,474)
Add/(Less):		
Non Cash Flows in (Loss) from Ordinary Activities:		
Disposal Loss	25,867	-
Depreciation	75,484	49,880
Provision write-back	(106,847)	-
	<u>21,433</u>	<u>(248,594)</u>
<b>Changes in Operating Assets and Liabilities</b>		
(Increase)/Decrease in Receivables	270,424	87,105
Increase/(Decrease) in Provisions	(69,692)	46,751
Increase/(Decrease) in Creditors, Accruals and Other Liabilities	(251,759)	(280,895)
Net Cash Provided by Operating Expenses	<u>(29,594)</u>	<u>(395,633)</u>
	<b>2014</b> \$	<b>2013</b> \$
<b>NOTE 13: OPERATING COMMITMENTS</b>		
<b>Operating Lease Commitments</b>		
Non-cancellable operating leases contracted for but not capitalized in the financial statements:		
- not later than 12 months	-	30,562
- between 12 months and five years	-	-
- greater than five years	-	-
	<u>-</u>	<u>30,562</u>

**NOTE 14: EVENTS SUBSEQUENT TO BALANCE DATE**

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

**NOTE 15: CONTINGENT LIABILITIES**

The National Office is not subject to any material contingent liabilities at balance date.

**NOTE 16: ECONOMIC DEPENDENCY**

The National Office is economically dependent on ongoing funding in the form of contributions from branches and membership fees.

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 17: OTHER DISCLOSURES**

The National Office did not receive financial support from any other reporting unit during the year. There were no expenses in connection with holding meetings of members of the National Office and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the National Office was wholly or partly responsible, except as disclosed in the Statement of Profit and Loss.

All payables to other reporting units are disclosed elsewhere in this report.

**NOTE 18: FEDERATION DETAILS**

The registered office and the principal place of business of the National Office is:

Civil Contractors Federation (National Office)  
11 Hi-Tech Court  
EIGHT MILE PLAINS QLD 4113

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 19: FAIR VALUE MEASUREMENT**

The National Office 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 National Office 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. If 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 National Office 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 National Office 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.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the National Office 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.

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 19: FAIR VALUE MEASUREMENT**

**a. Fair Value Hierarchy (cont'd)**

The following tables provide the fair values of the National Office'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 2014			Total \$
		Level 1 \$	Level 2 \$	Level 3 \$	
<b>Recurring fair value measurements</b>					
<i>Financial assets</i>					
Financial assets at fair value through profit or loss:		-	-	-	-
Available-for-sale financial assets:		-	-	-	-
<b>Total financial assets recognised at fair value</b>		-	-	-	-
<i>Non-financial assets</i>					
Freehold land & buildings		-	-	-	-
<b>Total non-financial assets recognised at fair value</b>		-	-	-	-

	Note	30 June 2013			Total \$
		Level 1 \$	Level 2 \$	Level 3 \$	
<b>Recurring fair value measurements</b>					
<i>Financial assets</i>					
Financial assets at fair value through profit or loss:		-	-	-	-
Available-for-sale financial assets:		-	-	-	-
<b>Total financial assets recognised at fair value</b>		-	-	-	-
<i>Non-financial assets</i>					
Freehold land & buildings		-	-	-	-
<b>Total non-financial assets recognised at fair value</b>		-	-	-	-

**b. Valuation Techniques and Inputs Used to Measure Level 2 Fair Values**

Description	Fair Value at 30 June 2014 and 30 June 2013 \$	Valuation Technique(s)	Inputs Used
Non-financial assets	-	n/a	n/a
Financial assets at fair value through profit or loss:	-	n/a	n/a
Available-for-sale financial assets:	-	n/a	n/a
	-	n/a	n/a

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 19: FAIR VALUE MEASUREMENT**

**c. Disclosed Fair Value Measurements**

The following assets and liabilities are not measured at fair value in the statement of financial position, 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
<i>Assets</i>			
Accounts receivable and other debtors	3	Income approach using discounted cash methodology	Market interest rates for similar assets

Description	Fair Value at Hierarchy Level	Valuation Technique(s)	Inputs Used
<i>Liabilities</i>			
Accounts payable and other payables	3	Income approach using discounted cash methodology	Market interest rates for similar assets

**NOTE 20: OTHER DISCLOSURES**

The National Office did not receive financial support from any other reporting unit during the year. Except as disclosed in the Statement of Profit and Loss, there were no expenses in connection with holding meetings of members of the National Office and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the National Office was wholly or partly responsible.

There were no payables to employers as consideration for the employers making payroll deductions of membership subscriptions at reporting date, nor payable to any legal services.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
CIVIL CONTRACTORS FEDERATION (NATIONAL OFFICE)**

To the Members of Civil Contractors Federation – NATIONAL Office

**Scope**

**The financial report and Committee of management responsibility**

The financial report comprises the Committee of Management Statement, Statement of Profit and Loss, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement, and accompanying notes to the financial statements for the Civil Contractors Branch (National Office) for the year ended 30 June 2014 set out on pages 5 to 33.

The National Board is responsible for the preparation and true and fair presentation of the financial report in accordance with Australian Accounting Standards, the Reporting Guidelines of the General Manager of FWC and other mandatory financial reporting requirements in Australia. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

**Audit Approach**

We conducted an independent audit in order to express an opinion to the members of the National Board. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with Australian Accounting Standards, the Reporting Guidelines of the General Manager of FWC and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the National Office's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting estimates made by members of the Committee of Management.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

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

**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

**Audit Opinion**


In our opinion, under the Fair Work (Registered Organisations) Act 2009, 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. in relation to recovery of wages activity;
  - (i) that the scope of the audit encompassed recovery of wages activity
  - (ii) that the financial statements and notes and recovery of wages activity fairly report all information required by the reporting guidelines of General Manager of FWC, including;
    - 1. Any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
    - 2. Any donations or other contributions deducted from recovered money; and
- c. Any other requirements imposed by these Reporting Guidelines or 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 2014, we are of the opinion that management's use of the going concern basis of accounting in the preparation of its financial statements is appropriate.

  
Stannards Accountants and Advisors

  
MB Shulman  
Registered Company Auditor (163888)  
Holder of Current Public Practice Certificate  
Approved Auditor (FWC Act and Regulations)

Dated this 27<sup>th</sup> day of February 2015





13 January 2015

Mr Robert Row  
Chief Executive Officer  
Civil Contractors Federation  
[rrow@civilcontractors.com](mailto:rrow@civilcontractors.com)

CC: Michael Shulman, Stannards Accounts & Advisors: [michael.shulman@stannards.com.au](mailto:michael.shulman@stannards.com.au)

Dear Mr Row,

**Civil Contractors Federation  
Financial Report for the year ended 30 June 2014 - [FR2014/159]**

I acknowledge receipt of the financial report of the Civil Contractors Federation. The documents were lodged with the Fair Work Commission on 16 December 2014.

The financial report has not been filed. Further information is required before the report can be filed.

**Documents must be lodged with the Fair Work Commission within 14 days of General Meeting**

Section 268 of the RO Act, states that the full report and the designated officer's certificate are required to be lodged with the Fair Work Commission within 14 days of the meeting of members. This is a civil penalty provision and was raised in last year's filing letter. The Designated Officer's Certificate indicates that this meeting occurred on 23 October 2014. If this is correct the full report should have been lodged with the Fair Work Commission by 6 November 2014.

The full report was lodged on 16 December 2014.

If these dates are correct, the organisation should have applied for an extension of time to lodge the required reports and the Designated Officer's Certificate in accordance with section 268 prior to 6 November 2014.

As this matter was raised in last year's correspondence, please provide an explanation as to why the report was lodged late.

**Note 1 i. Sponsorship of \$100,000**

Note 1 i. Indicates that \$100,000 of sponsorship was included within the sundry debtors and prepayments as an asset/receivable in the 2013 financial report. However, following the filing of the 2013 financial return, it was determined that the sponsorship would not be received as expected. Further, the note states that consequently the loss reported in 2013 should have been \$298,474 (not \$198,474).

I note that the comparative figures for 2013 throughout the report have not been corrected to reflect this adjustment, for instance the Statement of Comprehensive Income still demonstrates a loss of \$198,474 for the 2013 year.

It appears that an 'adjustment' was made to the 2014 opening balance of the statement of changes in member funds figures of \$100,000.

Please provide an explanation as to why this approach has been adopted and in particular, why the comparative figures for the 2013 year have not been adjusted to reflect the more accurate comprehensive income and financial position of the organisation as at 30 June 2013.

If you have any queries regarding this letter, please contact me on (03) 8661 7974 or via email at [catherine.bebbington@fwc.gov.au](mailto:catherine.bebbington@fwc.gov.au).

Yours sincerely



**CATHERINE BEBBINGTON**  
Regulatory Compliance Branch

**FAIR WORK COMMISSION**

Tel: 03 8661 7974

Fax: 03 9655 0410

[catherine.bebbington@fwc.gov.au](mailto:catherine.bebbington@fwc.gov.au)

11 Exhibition Street, Melbourne Victoria 3000

GPO Box 1994, Melbourne Victoria 3001


[www.fwc.gov.au](http://www.fwc.gov.au)

16 December 2014

**Section 268 Fair Work (Registered Organisations) Act 2009 (RO Act)**

I Robert Row being the National Chief Executive Officer of the Civil Contractors Federation (National Office) certify:

- that the documents lodged herewith are copies of the full report referred to in s.268 of the RO Act for the *Civil Contractors Federation* for the period ended 30 June 2014; and
- that the *full report* was provided to members of the reporting unit on 30 September in accordance with s.265 of the RO Act; and
- that the full report was presented to a *general meeting of members* of the reporting unit on 23 October 2014 in accordance with s.266 of the RO Act.

<b>Date</b>	16 December 2014
<b>Signature of prescribed designated officer</b>	
<b>Name of prescribed designated officer</b>	Robert Row
<b>Office held</b>	Chief Executive Officer

**Robert Row**  
National Chief Executive Officer

**CIVIL CONTRACTORS FEDERATION**

**(NATIONAL OFFICE)**

**ABN 41 639 349 350**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 June 2014**

**Contents**

Operating Report .....	1 - 5
National Office Board Statement .....	6
Auditor's Independence Declaration .....	7
Statement of Profit and Loss .....	8
Statement of Comprehensive Income .....	9
Statement of Financial Position .....	10
Statement of Changes in Members' Fund .....	11
Statement of Cash Flows .....	12
Notes to the Financial Statements .....	13 - 33
Auditor's Report .....	34 - 35

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**Operating Report  
for the Year Ended 30 June 2014**

**Principal Activities s254(2)9a)**

The principal activities of the National Office during the financial year were to promote, protect and advance the interest of its members engaged in any manner of civil contracting and/or ancillary industries.

The National Office (CCFNO) operates predominantly in one business and geographical segment, being a representative body of civil construction contractors in Australia, 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 awards rates of and work practices to members of the National Office throughout Australian. The Federation represents its members at all levels of Government and lobbies for concessions relating to civil construction and business trade.

**Results of principal activities s254(2)(a)**

The result of the CCFNO is a surplus of \$26,929 (2013: deficit of \$198,474). Excluding abnormal items, CCFNO generated a surplus of \$110,314. CCFNO's revenue decreased by some \$0.65 million this year due to a fall in sponsorships, joint-venturing of the National Conference and restructuring of operations. Expenditure also decreased in 2014, given the restructuring of the operation. The physical office was closed, staff were made redundant and a committee appointed to conduct the operations of the National Office, comprising CEOs of various state branches. The overall result of the National Office is pleasing given the outflows in the early part of the financial year.

The net assets of CCFNO fell this year to \$0.48 million. At reporting date, CCFNO has a working capital surplus of \$0.35 million and can pay its debts when they fall due.

Overall, CCFNO continues to service the branches and its members in all facets of Civil Contracting. Value added advice and services to members are the key objective of the Federation. Service delivery will not fall, despite the deficit incurred in 2014. Ongoing industrial relations advice, government lobbying and training continue to be provided.

**Significant changes in nature of principal activities s254(2)(a)**

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

**Significant changes in the National Office's financial affairs s254(2)(b)**

No matters or circumstances arose during the reporting year which significantly affected the financial affairs of the National Office.

**Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme s254(2)(d)**

No officer, or member holds a dedicated position as a superannuation trustee under s254(2)(d) of the Fair Work (Registered Organisations) Act 2009.

**Number of Members reg 159(a)**

The number of persons who, at the end of the financial year, were recorded on the Register of members was: 1,503 Members and 810 Associate Members. At the end of the previous financial year there were 1,559 Members and 770 Associate Members.

**Number of Employees reg 159(b)**

The number of persons who were, at the end of the financial year, employees of the NAT National Office was nil (2013: 5)

**Operating Report  
for the Year Ended 30 June 2014**

National Board Members *reg 159(c)*

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

Title	Name	Period of Office
National President	Ross Barrett	1-7-2013 to 25-10-2013
National President	Tony Baulderstone	25-10-2013 to 30-06-2014
Vice President	Tony Baulderstone	1-7-2013 to 25-10-2013
Vice President	Michael Unger	25-10-2013 to 30-06-2014
Honorary Treasurer	Pat Dwyer	1-7-2013 to 25-10-2013
Honorary Treasurer	Gary Gardiner	25-10-2013 to 30-06-2014
Board Member	Mick Boyle	25-10-2013 to 30-06-2014
Board Member	Gary Gardiner	1-7-2013 to 25-10-2013
Board Member	Adrian Granger	25-10-2013 to 30-06-2014
Board Member	Peter Kendall	1-7-2013 to 30-6-2014
Board Member	Chris Reynolds	25-10-2013 to 30-06-2014
Board Member	Mark Shultz	1-7-2013 to 25-10-2013
Board Member	Michael Unger	1-7-2013 to 25-10-2013
Board Member	Robert Wilson	1-7-2013 to 30-6-2014
Board Member	Nick Zardo	1-7-2013 to 30-6-2014
Alternate Board Member	Andrew Crompton	1-7-2013 to 30-6-2014
Alternate Board Member	Michael Cull	25-10-2013 to 30-06-2014
Alternate Board Member	Robert Dahan	1-7-2013 to 30-6-2014
Alternate Board Member	David Della-Bona	1-7-2013 to 30-6-2014
Alternate Board Member	Adrian Granger	1-7-2013 to 25-10-2013
Alternate Board Member	Andrew Mahar	1-7-2013 to 30-6-2014
Alternate Board Member	Dennis McDonald	1-7-2013 to 25-10-2013
Alternate Board Member	Chris Reynolds	1-7-2013 to 25-10-2013
Alternate Board Member	Phillip Sydney	25-10-2013 to 30-06-2014
Alternate Board Member	Gavin Turner	1-7-2013 to 30-6-2014

**Operating Report  
for the Year Ended 30 June 2014**

Officers & employees who are directors of a company or a member of a board

Details of officers and employees, who are directors of a company or a member of a board, are as follows:

Name of Officeholder	Name of Company or Board	Position Held	Principal Activity of Company or Board	Position Held because officer or employee of Union or nominated by Union or Peak Council
Tony Baulderstone	[REDACTED]	[REDACTED]	[REDACTED]	No
	Skills DMC	Member & Alternate Director	Training	Yes
	CITB ELTRC	Committee Member	Training	Yes
	[REDACTED]	[REDACTED]	[REDACTED]	No
	[REDACTED]	[REDACTED]	[REDACTED]	No
	[REDACTED]	[REDACTED]	[REDACTED]	No
	[REDACTED]	[REDACTED]	[REDACTED]	No
	[REDACTED]	[REDACTED]	[REDACTED]	No
	[REDACTED]	[REDACTED]	[REDACTED]	No
	[REDACTED]	[REDACTED]	[REDACTED]	No
Michael Unger	Construction Training Fund	Director	Training Fund Arrangements	Yes
	[REDACTED]	[REDACTED]	[REDACTED]	No
Mick Boyle	[REDACTED]	[REDACTED]	[REDACTED]	No
	[REDACTED]	[REDACTED]	[REDACTED]	No
	[REDACTED]	[REDACTED]	[REDACTED]	No
Gary Gardiner	[REDACTED]	[REDACTED]	[REDACTED]	No



**Operating Report  
for the Year Ended 30 June 2014**

**Officers & employees who are directors of a company or a member of a board (cont'd)**

Details of officers and employees, who are directors of a company or a member of a board, are as follows:

Name of Officeholder	Name of Company or Board	Position Held	Principal Activity of Company or Board	Position Held because officer or employee of Union or nominated by Union or Peak Council
Adrian Granger				No
Peter Kendall				No
Chris Reynolds				No
Mark Shultz				No
Robert Dahan				No
David Della-Bona	PMR Quarries Pty Ltd	Managing Director	Quarrying, Breakwater Construction	Yes
	Ransberg Pty Ltd	Director	Hard Rock Quarrying, Concrete Batching	Yes
	Sunrise Pty Ltd	Director	Property Investment	Yes
	Parang Pty Ltd	Director	Investment	Yes
	Hennderdin Pty Ltd	Director	Property Investment	Yes
	Swan Bay Holdings Pty Ltd	Director	Investment	Yes
	D & A Corporation Pty Ltd	Director	Investment	Yes
	Oleic Pty Ltd	Director	Property Investment	Yes
	Villa Dalmacia Association (Inc)	Director	Aged Care Facility	Yes
Andrew Mahar				No
Gavin Turner				No

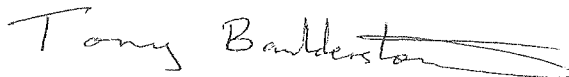
**Operating Report  
for the Year Ended 30 June 2014**

**Manner of resignation**

Members may resign from the National Office in accordance with Section 174 of the Fair Work (Registered Organisations) Act 2009 and with 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 Civil Contractors Federation by written notice addressed and delivered to the Chief Executive Officer (National).
- (b) A notice of resignation from membership of the National Office takes effect:
  - (i) at the end of two weeks after the notice is received by the National Office; 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 National Office in relation to a period before the Member's resignation from the National Office took effect, may be sued for and recovered in the name of the National Office, in a court of competent jurisdiction, as a debt due to the National Office.
- (d) A notice delivered to the person mentioned in subrule (1) shall be taken to have been received by the National Office when it was delivered.
- (e) A notice of resignation that has been received by the National Office 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 National Office 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 National Office that the resignation has been accepted."



**National President**

Dated in Darwin this 29<sup>th</sup> day of August 2014

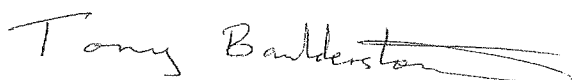
**National Office Board Statement  
for the Year Ended 30 June 2014**

On 29 August 2014 the Board of the Civil Contractors Federation (National Office) passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2014:

The National Board 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 the reporting guidelines of the General Manager of FWC;
- (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;
- (e) during the financial year to which the GPFR relates and since the end of that year;
  - (i) meetings of the National Board 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 Fair Work (Registered Organisations) Act 2009, and the Fair Work (Registered Organisations) Regulations 2009; and
  - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - (v) No requests were received from any member of the reporting unit or a General Manager of FWC for information under section 272 of the Fair Work (Registered Organisations) Act 2009; and
  - (vi) No orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (c) In relation to recovery of wage activity, there has been no recovery of wage activities during the year.

For the National Board:



**National Office President**

Dated in Darwin this 29<sup>th</sup> day of August 2014

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE BOARD OF THE  
CIVIL CONTRACTORS FEDERATION – NATIONAL OFFICE**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2014 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



Michael Shulman  
Partner (Registered Company Auditor: 163888)  
Holder of Current Public Practice Certificate  
Approved Auditor (FWC Act and Regulations)

Dated this 29<sup>th</sup> day of August 2014

**Statement of Profit and Loss  
for the Year Ended 30 June 2014**

	Note	2014 \$	2013 \$
Revenue	2	1,384,987	2,031,504
Accountancy Fees		(52,445)	(64,430)
Audit Fees	3a	(9,055)	(6,900)
CCF Online		-	(33,141)
CMS Expenses		-	(10,485)
Computer and IT Costs		(82,940)	(71,560)
Depreciation		(75,484)	(49,880)
Earth Awards Expenses		(393,985)	(352,524)
Insurance		(32,811)	(39,286)
Legal Costs – Litigation		-	-
Legal Costs - Other		(57,391)	(16,475)
Meeting Expenses		(69,023)	(42,780)
National Communication Costs		(60,569)	(66,826)
National Conference and Function Expenses		(193,433)	(651,018)
National Lobbying / Representation / Travel		(75,933)	(79,535)
Rent		(17,523)	(53,972)
Repairs & Maintenance		-	(787)
Salaries & On Costs - Officeholders		-	-
Salaries & On Costs - Employees		(123,070)	(592,892)
Services Costs – National Accounting Function		(50,094)	-
National Publications		(10,162)	(31,092)
Stationery and Printing Costs		(688)	(18,306)
Write back of Provisions		106,847	-
Other Expenses		(76,914)	(48,089)
<b>Profit/(Loss) from ordinary activities before income tax expense</b>		110,314	(198,474)
<b>Significant Items:</b>			
Redundancies		(68,980)	-
Restructuring Costs		(14,405)	-
<b>Profit before income tax</b>		26,929	(198,474)
<b>Income tax expense</b>	1a	-	-
<b>Net (loss)/profit after income tax expense attributable to the Federation</b>		26,929	(198,474)

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income  
for the Year Ended 30 June 2014**

	2014 \$	2013 \$
(Loss)/Profit for the period	26,929	(198,474)
Other Comprehensive Income for the period	-	-
Total Comprehensive Income for the period	26,929	(198,474)
Total Comprehensive (Deficit)/Income attributable to members of the organisation	26,929	(198,474)

The accompanying notes form part of the financial statements

**Statement of Financial Position  
as at 30 June 2014**

	Note	2014 \$	2013 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	221,669	269,323
Trade and other receivables	5	156,608	527,032
<b>TOTAL CURRENT ASSETS</b>		<b>378,277</b>	<b>796,355</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and equipment	6	128,884	212,175
<b>TOTAL NON-CURRENT ASSETS</b>		<b>128,884</b>	<b>212,175</b>
<b>TOTAL ASSETS</b>		<b>507,161</b>	<b>1,008,530</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	29,812	133,571
Provisions	8	-	176,539
Prepaid Income		-	148,000
<b>TOTAL CURRENT LIABILITIES</b>		<b>29,812</b>	<b>458,110</b>
<b>TOTAL LIABILITIES</b>		<b>29,812</b>	<b>458,110</b>
<b>NET ASSETS</b>		<b>477,349</b>	<b>550,420</b>
<b>MEMBERS' FUNDS</b>			
Accumulated Surplus		477,349	550,420
<b>TOTAL MEMBERS' FUNDS</b>		<b>477,349</b>	<b>550,420</b>

The accompanying notes form part of the financial statements

**Statement of Changes in Members' Fund  
for the Year Ended 30 June 2014**

	\$
Balance as at 1 July 2012	748,894
Profit/(Loss) attributable to members	<u>(198,474)</u>
Balance at 30 June 2013	<u>550,420</u>

	\$
Balance as at 1 July 2013	550,420
Opening balance adjustment – see note 1(i)	(100,000)
Profit/(Loss) attributable to members	<u>26,929</u>
Balance at 30 June 2014	<u>477,349</u>



**Statement of Cash Flows**  
**For the Year ended 30 June 2014**

	Note	2014 \$	2013 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members and customers		585,437	935,285
Interest Received		4,240	16,479
Receipts from CCF Branches	11f	944,716	929,969
Other Revenue		41,051	136,876
Payments to employees		(192,050)	(592,892)
Payments to CCF Branches	11f	(198,116)	(174,088)
Payments to suppliers		(1,214,872)	(1,647,262)
<b>Net cash provided by operating activities</b>	12b	<b>(29,594)</b>	<b>(395,633)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Plant Acquired		(19,340)	(14,826)
Proceeds from disposal		1,280	-
<b>Net cash (used) in investing activities</b>		<b>(18,060)</b>	<b>(14,826)</b>
<b>Net (decrease)/increase in cash held</b>		<b>(47,654)</b>	<b>(410,459)</b>
Cash at the beginning of the financial year		269,323	679,782
<b>Cash at the end of the financial year</b>	12a	<b>221,669</b>	<b>269,323</b>

The accompanying notes form part of the financial statements

## Notes to the Financial Statements for the Year Ended 30 June 2014

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Fair Work (Registered Organisations) Act 2009.

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

#### Basis of Preparation

The financial report of Civil Contractors Federation (National Office) as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) for their entirety. The Civil Contractors Branch (National Office) is a 'not for profit' organisation.

The financial report has been prepared on an accrual basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets..

Cost is based on fair values of consideration given in exchange for assets.

The accounting policies set out below have been consistently applied, unless otherwise stated.

#### Accounting Policies

**a. Income Tax**

The National Office 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 and 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.

The depreciation rates used for each class of assets are:

<u>Class of Fixed Assets</u>	<u>Depreciation Rate</u>
Plant & Equipment	10% – 30%

**Notes to the Financial Statements  
for the Year Ended 30 June 2014**

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

**c. Plant and Equipment (cont'd)**

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. Financial Instruments**

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.

**e. Employee Benefits**

Short-term employee benefits

Provision is made for the National Office'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 National Office'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 National Office's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the National Office 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.

**Notes to the Financial Statements  
for the Year Ended 30 June 2014**

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

**e. Employee Benefits (cont'd)**

**Superannuation**

Contributions are made by the National Office to employee superannuation funds and are expensed when incurred. The National Office 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.

**f. Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the National Office are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a written down value basis over their estimated useful lives where it is likely that the National Office will obtain ownership of the asset over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**g. 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.

**h. Revenue**

Revenue from membership subscriptions is recognised proportionately over the period to which it relates. Any contribution received in advance for the next period is included in deferred income.

Revenue from the rendering of a service is recognised in proportion to the stage of completion of the service.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

## Notes to the Financial Statements for the Year Ended 30 June 2014

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

#### i. Comparative figures / Opening Balances

Include in sundry debtors and prepayments as an asset at 30 June 2013 was an amount of \$100,000 for sponsorships receivable from third parties. Subsequent the end of that year, it was determined that such sponsorship would not be received given the pre-conditions for receipt during the 2013 financial year had not been achieved.

An adjustment has been made to opening accumulated surplus to reflect the overstatement of sundry debtors and prepayments at 30 June 2013. The loss reported in 2013 would have been \$298,474, (not \$198,474), had these facts been determined prior to execution of the 2013 Annual Financial Report.

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

#### j. Operating Segment

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

The Federation 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 Branch throughout Australia.

#### k. Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash and cash equivalents include cash on hand, cash at bank and investments in money market instruments.

#### l. Financial Instruments

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 Statement of Profit and Loss.

#### m. Fair Value of Assets and Liabilities

The National Office 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 National Office would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie. 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.

**Notes to the Financial Statements  
for the Year Ended 30 June 2014**

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

**m. Fair Value of Assets and Liabilities (cont'd)**

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie. 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 and transport 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 entity'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. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statement.

**n. Capitation Fees / National Office Contributions**

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

**o. Critical Accounting Estimates and Judgements**

The Board evaluates estimates and judgments 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 National Office.

*Key Estimates – Impairment*

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

No impairment has been recognised in respect of any assets for the year ended 30 June 2014, except as stated in this report.

*Key Judgements - Doubtful Debts Provision*

The Board have assessed each debtor and have estimated no provision for doubtful debts is required (2013: \$nil). The Board believes that the full amount of the debtors are recoverable.

## Notes to the Financial Statements for the Year Ended 30 June 2014

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

#### p. New Accounting Standards for Application in Future Periods

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the National Office, together with an assessment of the potential impact of such pronouncements on the National Office when adopted in future periods, are discussed below:

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2017).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes made to the Standard that may affect the National Office on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of AASB 9, the application of such accounting would be largely prospective.

Although the National Office anticipate that the adoption of AASB 9 may have an impact on the National Office's financial instruments, including hedging activity, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 2012-3: *Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities* (applicable to annual reporting periods commencing on or after 1 January 2014).

This Standard provides clarifying guidance relating to the offsetting of financial instruments, which is not expected to impact the National Office's financial statements.

- Interpretation 21: *Levies* (applicable for annual reporting periods commencing on or after 1 January 2014).

Interpretation 21 clarifies the circumstances under which a liability to pay a levy imposed by a government should be recognised, and whether that liability should be recognised in full at a specific date or progressively over a period of time. This Interpretation is not expected to significantly impact the National Office's financial statements.

- AASB 2013-3: *Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets* (applicable for annual reporting periods commencing on or after 1 January 2014).

This Standard amends the disclosure requirements in AASB 136: Impairment of Assets pertaining to the use of fair value in impairment assessment and is not expected to significantly impact the National Office's financial statements.

**Notes to the Financial Statements  
for the Year Ended 30 June 2014**

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

**p. New Accounting Standards for Application in Future Periods**

- AASB 2013-4: *Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting* (applicable for annual reporting periods commencing on or after 1 January 2014).

AASB 2013-4 makes amendments to AASB 139: *Financial Instruments: Recognition and Measurement* to permit the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. This Standard is not expected to significantly impact the National Office's financial statements.

- AASB 2013-5: *Amendments to Australian Accounting Standards – Investment Entities* (applicable for annual reporting periods commencing on or after 1 January 2014).

AASB 2013-5 amends AASB 10: *Consolidated Financial Statements* to define an "investment entity" and requires, with limited exceptions, that the subsidiaries of such entities be accounted for at fair value through profit or loss in accordance with AASB 9 and not be consolidated. Additional disclosures are also required. As the National Office does not meet the definition of an investment entity, this Standard is not expected to impact the National Office's financial statements.

**q. Information to be provided to Members or General Manager of FWC**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-section (1), (2) and (3) of Section 272 which reads as follows:-

1. A member of a reporting unit, or the General Manager, FWC, may apply to the reporting unit for a 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).



**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

	2014 \$	2013 \$
<b>NOTE 2: REVENUE</b>		
Operating activities:		
Sponsorships	100,000	502,558
National Office Contributions	754,259	739,958
National Conference & Earth Awards	227,112	681,421
NTRU Funding	-	-
CCF/IBC Income	50,000	51,169
Interest Received	4,240	16,479
CMS Income	-	-
Donations / Grants	-	-
Compulsory & Voluntary Levy	-	-
Industry Rebates & Incentives	208,325	-
Other Revenue	41,051	39,919
<b>Total Revenue</b>	<b>1,384,987</b>	<b>2,031,504</b>
<b>NOTE 3: LOSS FROM ORDINARY ACTIVITIES</b>		
The operating (loss) of the National Office before income tax expense has been determined after:		
a. Auditor's Remuneration – audit of financial statements	9,055	6,900
b. Depreciation		
Plant and equipment	75,484	49,880
c. Other Expenses		
Donations	-	-
Penalties – RO Act and Regulations	-	-
Consideration to Employers making Payroll Deductions	-	-
Affiliation Fees	-	-
<b>NOTE 4: CASH AND CASH EQUIVALENTS</b>		
<b>Current</b>		
Cash at bank	221,669	265,901
Petty Cash	-	100
Security Deposit	-	3,322
	<b>221,669</b>	<b>269,323</b>

The weighted average interest rate for cash as at 30 June 2014 is 2.75% (2013: 2.75%)

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

	2014 \$	2013 \$
<b>NOTE 5: TRADE AND OTHER RECEIVABLES</b>		
<b>a. Current</b>		
Sundry Debtors and Prepayments	122,608	499,032
CCF/IBC Partnership Loan Account	34,000	28,000
	<u>156,608</u>	<u>527,032</u>
<b>b. Terms and Conditions</b>		
Details of the sundry debtors owing from related parties are outlined at Note 10. No debtors are outside of agreed trading terms.		
<b>NOTE 6: PLANT AND EQUIPMENT</b>		
Plant and equipment – at cost	270,706	342,470
Less: Accumulated depreciation	(141,822)	(131,309)
	<u>128,884</u>	<u>211,161</u>
Furniture and Fittings – at cost	-	3,403
Less: Accumulated depreciation	-	(2,389)
	<u>-</u>	<u>1,014</u>
Total fixed assets – net book value	<u>128,884</u>	<u>212,175</u>
<b>Reconciliation of movements in plant and equipment</b>		
<b>Plant and equipment</b>		
Carrying amount at beginning of the year	211,161	246,099
Additions	19,340	14,826
Disposals	(26,290)	-
Depreciation expense	(75,327)	(49,764)
Carrying amount at end of the year	<u>128,884</u>	<u>211,161</u>
<b>Furniture and Fittings</b>		
Carrying amount at beginning of the year	1,014	1,129
Additions	-	-
Disposals	(857)	-
Depreciation expense	(157)	(115)
Carrying amount at end of the year	<u>-</u>	<u>1,014</u>

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

	2014 \$	2013 \$
<b>NOTE 7: TRADE AND OTHER PAYABLES</b>		
<b>a. Current</b>		
Trade Creditors	34,253	107,013
Sundry Payables	(4,441)	26,558
	29,812	133,571

**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.

Amount payable to related parties are set out in Note 10.

**NOTE 8: PROVISIONS**

	2014 \$	2013 \$
<b>Current</b>		
Provision for Annual Leave (i)	-	54,915
Provision for Long Service Leave (i)	-	14,777
Provision – Diesel Fuel Campaign (ii)	-	17,272
Provision for Industry Action (ii)	-	89,575
	-	176,539

(i) These provisions accrue directly to employees of the Federation.

(ii) Written back in 2014 given fully utilized in prior periods.

**Number of employees at year-end**

-	5
---	---

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

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	2014 \$	2013 \$	2014 \$	2013 \$	2014 \$	2013 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	54,915	-	14,777	-	69,692
Total	-	54,915	-	14,777	-	69,692

There are no provisions for separation and redundancy or other provisions for officeholders or other employees (2013: \$nil)

**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 National Office 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 National Office 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

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 9: EMPLOYEE BENEFITS**

Employee benefits paid/accrued during the year	Elected Officials (Office holders)		Employees (other than Elected Officials)		Total	
	2014 \$	2013 \$	2014 \$	2013 \$	2014 \$	2013 \$
Wages and Salaries	-	-	109,194	479,993	109,194	479,993
Annual Leave and Long Service Leave	-	-	(10,713)	46,751	(10,713)	46,751
Redundancy Payments	-	-	68,980	-	68,980	-
Payroll Tax	-	-	12,890	23,390	12,890	23,390
Superannuation	-	-	11,699	42,758	11,699	42,758
<b>Total</b>	-	-	<b>192,050</b>	<b>592,892</b>	<b>192,050</b>	<b>592,892</b>

## Notes to the Financial Statements for the Year Ended 30 June 2014 (cont'd)

### NOTE 10: FINANCIAL RISK MANAGEMENT

#### Financial Risk Management Policies

The National Office's financial instruments consist mainly of deposits with banks, short term investments, accounts receivable and payable, and investments in an unlisted company.

The National Office does not have any derivative instruments at 30 June 2014.

#### i. Terms, Conditions and Accounting Policies

The National Office'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 Branch 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.

#### iii. Financial Risk Exposures and Management

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

##### Liquidity risk

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

##### Interest rate risk

The National Office 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 2014, 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:

	2014 \$	2013 \$
<b>Change in profit/(loss)</b>		
Increase in interest rate by 1%	2,217	2,692
Decrease in interest rate by 1%	(2,217)	(2,692)
<b>Change in equity</b>		
Increase in interest rate by 1%	2,217	2,692
Decrease in interest rate by 1%	(2,217)	(2,692)

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

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 10: FINANCIAL RISK MANAGEMENT (cont'd)**

**Interest Rate Risk**

The National Office'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 \$	1 year or less \$	Fixed Interest Rate Maturities			Total \$
				1 to 5 years \$	Over 5 years \$	Non Interest Bearing \$	
<b>30 June 2013</b>							
<b>Assets:</b>							
Cash	2.75	269,223	-	-	-	100	269,323
Trade and Sundry Debtors		-	-	-	-	527,032	527,032
		269,223	-	-	-	527,132	796,355
<b>Liabilities:</b>							
Sundry Creditors & Other Liabilities		-	-	-	-	(458,110)	(458,110)
		-	-	-	-	(458,110)	(458,110)
<b>Net financial assets</b>		269,223	-	-	-	69,022	338,245
<b>30 June 2014</b>							
<b>Assets:</b>							
Cash	2.75	221,669	-	-	-	-	221,669
Trade and Sundry Debtors		-	-	-	-	156,608	156,608
		221,669	-	-	-	156,608	378,277
<b>Liabilities:</b>							
Sundry Creditors & Other Liabilities		-	-	-	-	(29,812)	(29,812)
		-	-	-	-	(29,812)	(29,812)
<b>Net financial assets</b>		221,669	-	-	-	126,796	348,465

**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 National Office is not materially exposed to any individual credit risk.

**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.

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 11: RELATED PARTIES**

**a. National Office Board members**

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

Ross Barrett, Tony Baulderstone, Michael Unger, Pat Dwyer, Gary Gardiner, Mick Boyle, Adrian Granger, Peter Kendall, Chris Reynolds, Mark Shultz, Robert Wilson, Nick Zardo, Andrew Crompton, Michael Cull, Robert Dahan, David Della-Bona, Andrew Mahar, Dennis McDonald, Phillip Sydney and Gavin Turner.

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

The officeholders received no 'non cash' benefits (2013: \$nil). No officeholder of the National Office 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 National Office (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 National Office; or
- ii) They were nominated for the position by the National Office; or
- iii) They received remuneration from any third party, in connection with the performance of their duties as an officeholder of the National Office.

**b. Names and positions held by key management personnel in office at any time during the year**

Trevor Grassati - Chief Executive Officer (replaced by Branch CEO Committee during the year).

c. Key Management Personnel Remuneration	2014			2013		
	\$			\$		
	Short Term Benefits \$	Post Employment Benefits \$	Total \$	Short Term Benefits \$	Post Employment Benefits \$	Total \$
Total Compensation	94,729	8,762	103,491	183,486	16,514	200,000

d. Annual Leave and Long Service Leave Accrued for Key Management Personnel at end of the Year	2014			2013		
	\$			\$		
	Annual Leave \$	Long Service Leave \$	Total \$	Annual Leave \$	Long Service Leave \$	Total \$
Total Leave Provision	-	-	-	17,915	-	17,915

No termination benefits or share based payments were received, except as already disclosed in this report.

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 11: RELATED PARTIES (cont'd)**

**e. Transactions with National Office, Branches and Related Entities**

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

**f. Related Party balances at year end**

Amounts receivable/(payable) at reporting date – Federal office and other branches	2014 \$	2013 \$
Victoria Branch	(14,435)	(2,605)
Queensland Branch	(17,602)	(58,145)
South Australia Branch	5,313	12,268
Western Australia Branch	(5,356)	(1,140)
NSW Branch	9,846	8,139
Northern Territory Branch	-	-
Tasmania Branch	-	-
ACT Branch	-	-
	<u>(22,234)</u>	<u>(41,483)</u>
Balance Reconciliation- related entities		
Victoria Branch		
Carrying amount at beginning of the year	(2,605)	(15,469)
Levy income	173,312	171,417
Sundry income	46,377	51,472
Sundry charges	(111,024)	(20,815)
Receipts	(218,201)	(248,165)
Payment made	97,706	58,955
Carrying amount at end of the year	<u>(14,435)</u>	<u>(2,605)</u>
Queensland Branch		
Carrying amount at beginning of the year	(58,145)	(28,388)
Levy income	185,517	185,000
Sundry income	137,439	25,827
Sundry charges	-	(10,670)
Receipts	(289,112)	(229,914)
Payment made	6,699	-
Carrying amount at end of the year	<u>(17,602)</u>	<u>(58,145)</u>
South Australia Branch		
Carrying amount at beginning of the year	12,268	34,370
Levy income	167,661	184,000
Sundry income	1,028	4,210
Sundry charges	(36,011)	(28,445)
Receipts	(171,232)	(213,823)
Payment made	31,599	31,956
Carrying amount at end of the year	<u>5,313</u>	<u>12,268</u>
Western Australia Branch		
Carrying amount at beginning of the year	(1,140)	(5,196)
Levy income	71,403	58,374
Sundry income	1,967	5,364
Sundry charges	(55,973)	(37,794)
Receipts	(77,390)	(58,929)
Payment made	55,777	37,041
Carrying amount at end of the year	<u>(5,356)</u>	<u>(1,140)</u>



**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**
**NOTE 11: RELATED PARTIES (cont'd)****f. Related Party balances at year end (cont'd)**

	2014	2013
	\$	\$
NSW Branch		
Carrying amount at beginning of the year	8,139	5,204
Levy income	116,641	107,700
Sundry income	31,005	22,209
Sundry charges	(3,226)	(27,889)
Receipts	(148,223)	(144,671)
Payment made	5,510	45,586
Carrying amount at end of the year	<u>9,846</u>	<u>8,139</u>
Northern Territory Branch		
Carrying amount at beginning of the year	-	-
Levy income	19,725	16,300
Sundry income	-	-
Sundry charges	-	-
Receipts	(19,725)	(16,300)
Payment made	-	-
Carrying amount at end of the year	<u>-</u>	<u>-</u>
Tasmania Branch		
Carrying amount at beginning of the year	-	-
Levy income	10,000	8,000
Sundry income	-	-
Sundry charges	(825)	(550)
Receipts	(10,000)	(8,000)
Payment made	825	550
Carrying amount at end of the year	<u>-</u>	<u>-</u>
ACT Branch		
Carrying amount at beginning of the year	-	-
Levy income	10,000	9,167
Sundry income	833	-
Sundry charges	-	-
Receipts	(10,833)	(9,167)
Payment made	-	-
Carrying amount at end of the year	<u>-</u>	<u>-</u>

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

	2014 \$	2013 \$
<b>NOTE 12: CASH FLOW INFORMATION</b>		
<b>a. Reconciliation of Cash</b>		
Cash at Bank	221,669	269,323
	<u>221,669</u>	<u>269,323</u>
<b>b. Reconciliation of (loss) from ordinary activities after income tax to net cash provided by operating activities</b>		
(Loss) from Ordinary Activities after income tax	26,929	(198,474)
Add/(Less):		
Non Cash Flows in (Loss) from Ordinary Activities:		
Disposal Loss	25,867	-
Depreciation	75,484	49,880
Provision write-back	(106,847)	-
	<u>21,433</u>	<u>(148,594)</u>
<b>Changes in Operating Assets and Liabilities</b>		
(Increase)/Decrease in Receivables	270,424	(12,895)
Increase/(Decrease) in Provisions	(69,692)	46,751
Increase/(Decrease) in Creditors, Accruals and Other Liabilities	(251,759)	(280,895)
Net Cash Provided by Operating Expenses	<u>(29,594)</u>	<u>(395,633)</u>
	2014 \$	2013 \$
<b>NOTE 13: OPERATING COMMITMENTS</b>		
<b>Operating Lease Commitments</b>		
Non-cancellable operating leases contracted for but not capitalized in the financial statements:		
- not later than 12 months	-	30,562
- between 12 months and five years	-	-
- greater than five years	-	-
	<u>-</u>	<u>30,562</u>

**NOTE 14: EVENTS SUBSEQUENT TO BALANCE DATE**

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

**NOTE 15: CONTINGENT LIABILITIES**

The National Office is not subject to any material contingent liabilities at balance date.

**NOTE 16: ECONOMIC DEPENDENCY**

The National Office is economically dependent on ongoing funding in the form of contributions from branches and membership fees.

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 17: OTHER DISCLOSURES**

The National Office did not receive financial support from any other reporting unit during the year. There were no expenses in connection with holding meetings of members of the National Office and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the National Office was wholly or partly responsible, except as disclosed in the Statement of Profit and Loss.

All payables to other reporting units are disclosed elsewhere in this report.

**NOTE 18: FEDERATION DETAILS**

The registered office and the principal place of business of the National Office is:

Civil Contractors Federation (National Office)  
11 Hi-Tech Court  
EIGHT MILE PLAINS QLD 4113

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 19: FAIR VALUE MEASUREMENT**

The National Office 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 National Office 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. If 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 National Office 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 National Office 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.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the National Office 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.

## Notes to the Financial Statements for the Year Ended 30 June 2014 (cont'd)

### NOTE 19: FAIR VALUE MEASUREMENT

#### a. Fair Value Hierarchy (cont'd)

The following tables provide the fair values of the National Office'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 2014			Total
		Level 1 \$	Level 2 \$	Level 3 \$	
<b>Recurring fair value measurements</b>					
<i>Financial assets</i>					
Financial assets at fair value through profit or loss:		-	-	-	-
Available-for-sale financial assets:		-	-	-	-
<b>Total financial assets recognised at fair value</b>		-	-	-	-
<i>Non-financial assets</i>					
Freehold land & buildings		-	-	-	-
<b>Total non-financial assets recognised at fair value</b>		-	-	-	-

	Note	30 June 2013			Total
		Level 1 \$	Level 2 \$	Level 3 \$	
<b>Recurring fair value measurements</b>					
<i>Financial assets</i>					
Financial assets at fair value through profit or loss:		-	-	-	-
Available-for-sale financial assets:		-	-	-	-
<b>Total financial assets recognised at fair value</b>		-	-	-	-
<i>Non-financial assets</i>					
Freehold land & buildings		-	-	-	-
<b>Total non-financial assets recognised at fair value</b>		-	-	-	-

#### b. Valuation Techniques and Inputs Used to Measure Level 2 Fair Values

Description	Fair Value at 30 June 2014 and 30 June 2013 \$	Valuation Technique(s)	Inputs Used
Non-financial assets	-	n/a	n/a
Financial assets at fair value through profit or loss:	-	n/a	n/a
Available-for-sale financial assets:	-	n/a	n/a
	-	n/a	n/a

## Notes to the Financial Statements for the Year Ended 30 June 2014 (cont'd)

### NOTE 19: FAIR VALUE MEASUREMENT

#### c. Disclosed Fair Value Measurements

The following assets and liabilities are not measured at fair value in the statement of financial position, 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
<i>Assets</i>			
Accounts receivable and other debtors	3	Income approach using discounted cash methodology	Market interest rates flow for similar assets

Description	Fair Value at Hierarchy Level	Valuation Technique(s)	Inputs Used
<i>Liabilities</i>			
Accounts payable and other payables	3	Income approach using discounted cash methodology	Market interest rates flow for similar assets

### NOTE 20: OTHER DISCLOSURES

The National Office did not receive financial support from any other reporting unit during the year. Except as disclosed in the Statement of Profit and Loss, there were no expenses in connection with holding meetings of members of the National Office and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the National Office was wholly or partly responsible.

There were no payables to employers as consideration for the employers making payroll deductions of membership subscriptions at reporting date, nor payable to any legal services.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
CIVIL CONTRACTORS FEDERATION (NATIONAL OFFICE)**

To the Members of Civil Contractors Federation – NATIONAL Office

**Scope**

**The financial report and Committee of management responsibility**

The financial report comprises the Committee of Management Statement, Statement of Profit and Loss, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement, and accompanying notes to the financial statements for the Civil Contractors Branch (National Office) for the year ended 30 June 2014 set out on pages 5 to 33.

The National Board is responsible for the preparation and true and fair presentation of the financial report in accordance with Australian Accounting Standards, the Reporting Guidelines of the General Manager of FWC and other mandatory financial reporting requirements in Australia. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

**Audit Approach**

We conducted an independent audit in order to express an opinion to the members of the National Board. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with Australian Accounting Standards, the Reporting Guidelines of the General Manager of FWC and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the National Office's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting estimates made by members of the Committee of Management.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

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

**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

**Audit Opinion**

In our opinion, under the Fair Work (Registered Organisations) Act 2009, 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. in relation to recovery of wages activity;
  - (i) that the scope of the audit encompassed recovery of wages activity
  - (ii) that the financial statements and notes and recovery of wages activity fairly report all information required by the reporting guidelines of General Manager of FWC, including;
    1. Any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
    2. Any donations or other contributions deducted from recovered money; and
- c. Any other requirements imposed by these Reporting Guidelines or 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 2014, we are of the opinion that management's use of the going concern basis of accounting in the preparation of its financial statements is appropriate.

Stannards Accountants and Advisors



MB Shulman  
Registered Company Auditor (163888)  
Holder of Current Public Practice Certificate  
Approved Auditor (FWC Act and Regulations)

Dated this 29<sup>th</sup> day of August 2014