



18 December 2015

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

By e-mail: tbaulderstone@civilcontractors.com

Dear Mr Baulderstone

**Civil Contractors Federation
Financial Report for the year ended 30 June 2015 - FR2015/148**

I acknowledge receipt of the amended financial report for the year ended 30 June 2015 for the Civil Contractors Federation (CCF). The financial report was lodged with the Fair Work Commission (FWC) on 18 December 2015.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

Whilst the 2015 report has been filed the following should be addressed in the preparation of the next financial report.

Activities not disclosed

Item 13 of the Reporting Guidelines (RG) states that if the activities identified in item 11 have not occurred in the reporting period, a statement to this effect must be included in the notes to the GPF. I note that for the following item no such disclosure was made:

- RG11 - going concern financial support provided to another reporting unit (refers to agreement regarding financial support not dollar amount)

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8656 4685 or by email at ken.morgan@fwc.gov.au

Yours sincerely

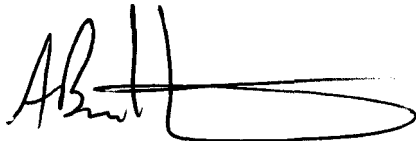
Ken Morgan
Financial Reporting Advisor
Regulatory Compliance Branch

CERTIFICATE OF DESIGNATED OFFICER
s268 of Fair Work (Registered Organisations) Act 2009

I, Anthony Baulderstone being the National President of the Civil Contractors Federation certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RO Act; and
- that the full report was provided to members on 14th December 2015; and
- that the full report was previously presented to a general meeting of members of the reporting unit on 15th October 2015; in accordance with section 266 of the RO Act and was resubmitted to members following approval by the National Board on 3 December, 2015.

Signature:

A handwritten signature in black ink, appearing to read 'AB', followed by a long horizontal flourish.

Date:

15/12/15

CIVIL CONTRACTORS FEDERATION

(NATIONAL OFFICE)

ABN 41 639 349 350

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 June 2015**

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**Operating Report
for the Year Ended 30 June 2015**

PRINCIPAL ACTIVITIES S254(2)(A)

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 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 Civil Contractors Federation National Office (CCFNO) is a deficit of \$15,980 (2014: surplus of \$26,929). CCFNO's revenue decreased by some \$0.90 million this year due to a restructure of operations and an overall reduction of levies issued to all CCF branches as administrative / finance work for The National Office was distributed to other branches. Expenditure also decreased in 2015, given the restructuring of the operation. With the National Office closing in September 2013, a new office in Canberra will be confirmed in the 2016 financial year with the newly appointed CEO commencing in August 2015. The net assets of CCFNO increased this year to \$0.46 million. At reporting date, CCFNO has a working capital surplus of \$0.36 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. Ongoing industrial relations advice, government lobbying and training continue to be provided.

The National Office did not acquire an asset or liability during the financial year as a result of amalgamation under Part 2 of Chapter 3 of the Fair Work (Registered Organisations) Act, a restructure of the branches of an organisation, and/or a determination or revocation by the General Manager of Fair Work Commission (FWC).

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 FEDERATION'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 RO reg 159(a)

The number of persons who, at the end of the financial year, were recorded on the Register of members was: 1450 Members and 800 Associate Members. At the end of the previous financial year there were 1503 Members and 810 Associate Members.

**Operating Report
for the Year Ended 30 June 2015**

NUMBER OF EMPLOYEES RO reg 159(b)

The number of persons who were, at the end of the financial year, employees of the NAT National Office was nil (2014: nil)

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 | Anthony Boulderstone | 1-7-2014 to 30-06-2015 |
| Vice President | Michael Unger | 1-7-2014 to 30-06-2015 |
| Treasurer | Gary Gardiner | 1-7-2014 to 30-06-2015 |
| Board Member | Nick Zardo | 1-7-2014 to 30-06-2015 |
| Board Member | Michael Boyle | 1-7-2014 to 30-06-2015 |
| Board Member | Peter Kendall | 1-7-2014 to 30-06-2015 |
| Board Member | Adrian Granger | 1-7-2014 to 30-06-2015 |
| Board Member | Robert Wilson | 1-7-2014 to 23-10-2014 |
| Board Member | Michael Cull | 23-10-2014 to 30-06-2015 |
| Alternate Board Member | Christopher Reynolds | 1-7-2014 to 30-06-2015 |

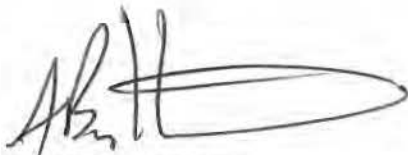
**Operating Report
for the Year Ended 30 June 2015**

MANNER OF RESIGNATION

Members may resign from the Federation in accordance with rule 9, which reads as follows;

"9 - RESIGNATION OF MEMBERS

- (a) A Member may resign from the Federation by written notice addressed and delivered to the Chief Executive Officer (National).
- (b) A notice of resignation from membership of the Federation takes effect:
 - (i) at the end of two weeks after the notice is received by the Federation: or
 - (ii) on the day specified in the notice;whichever is later.
- (c) Any dues payable but not paid by a former Member of the Federation in relation to a period before the Member's resignation from the Federation took effect, may be sued for and recovered in the name of the Federation, in a court of competent jurisdiction, as a debt due to the Federation.
- (d) A notice delivered to the person mentioned in sub-rule (1) shall be taken to have been received by the Federation when it was delivered.
- (e) A notice of resignation that has been received by the Federation is not invalid because it was not addressed and delivered in accordance with sub rule (a) of Rule 9.
- (f) A resignation from membership of the Federation is valid even if it is not affected in accordance with this section if the Member is informed in writing by or on behalf of the Federation that the resignation has been accepted.



Anthony Baulderstone
National President

Date: 3/12/15

National Board Statement for the Year Ended 30 June 2015

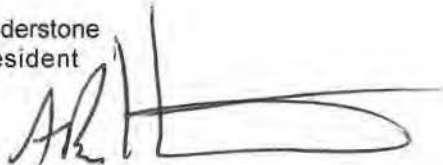
On 3 December 2015, the National Board of the Civil Contractors Federation passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30th June 2015.

The National Board declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Reporting Guidelines of the General Manager of FWC and Australian Accounting Standards;
- (b) 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;
- (c) 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;
- (d) during the financial year to which the general purpose financial report 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;
 - (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;
 - (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;
 - (iv) the information sought in any request of a member of the reporting unit or the General Manager of FWC duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager of FWC;
 - (v) the financial records of the reporting unit have been kept, to the extent we have been advised of them and as far as practicable, in a consistent manner to each of the other reporting units of the organisation;
 - (vi) 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
 - (vii) there have been no orders for inspection of financial records made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period; and
- (e) in relation to recovery of wage activity, there has been no recovery of wage activities during the year.

Anthony Baulderstone
National President

Signature:



Date:

3/12/15

**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 2015 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.

Stacy Anagnostis

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 *31.12.15*

**Statement of Profit and Loss
for the Year Ended 30 June 2015**

| | Note | 2015 \$ | 2014 \$ |
|--|------|-----------------|----------------|
| Revenue | 2 | 480,628 | 1,384,987 |
| Accountancy Fees | | (5,110) | (52,445) |
| Affiliation Fees | | - | - |
| Audit Fees | 3a | (3,500) | (9,055) |
| CCF Online | | - | - |
| CMS Expenses | | - | - |
| Capitation Fees | | - | - |
| Computer and IT Costs | | (61,945) | (82,940) |
| Consideration for Employers making Payroll Deductions | | - | - |
| Compulsory Levies | | - | - |
| Depreciation / Amortisation | | (34,044) | (75,484) |
| Donations / Grants | | - | - |
| Earth Awards Expenses | | (76,001) | (393,985) |
| Insurance | | (37,320) | (32,811) |
| Legal Costs – Litigation | | - | - |
| Legal Costs - Other | | (38,091) | (57,391) |
| Meeting Expenses | | (1,879) | (69,023) |
| National Communication Costs | | (2,181) | (60,569) |
| National Conference and Function Expenses | | - | (193,433) |
| National Lobbying / Representation / Travel | | (92,466) | (75,933) |
| Rent | | (1,529) | (17,523) |
| Salaries & On Costs - Officeholders | | - | - |
| Salaries & On Costs - Employees | | - | (123,070) |
| Services Costs – National Accounting Function | | (29,787) | (50,094) |
| Secretarial Services – CCF Queensland Branch | | (51,996) | - |
| National Publications | | - | (10,162) |
| Stationery and Printing Costs | | - | (688) |
| Write back of Provisions | | - | 106,847 |
| Other Expenses | | (61,279) | (76,914) |
| (Loss) / Profit from ordinary activities before income tax expense | | (16,500) | 110,314 |
| Significant Items: | | | |
| Redundancies | | - | (68,980) |
| Restructuring Costs | | 520 | (14,405) |
| Profit before income tax | | (15,980) | 26,929 |
| Income tax expense | 1a | - | - |
| Net (loss)/profit after income tax expense attributable to the Federation | | (15,980) | 26,929 |

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income
for the Year Ended 30 June 2015**

| | 2015 \$ | 2014 \$ |
|--|------------|------------|
| (Loss) / Profit for the period | (15,980) | 26,929 |
| Other Comprehensive Income for the period | - | - |
| Total Comprehensive (deficit) / Income for the period | (15,980) | 26,929 |
| Total Comprehensive (Deficit) / Income attributable to members of the organisation | (15,980) | 26,929 |

The accompanying notes form part of the financial statements

**Statement of Financial Position
as at 30 June 2015**

| | Note | 2015 \$ | 2014 \$ |
|----------------------------------|------|----------------|----------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 4 | 314,489 | 221,669 |
| Trade and other receivables | 5 | 65,972 | 156,608 |
| TOTAL CURRENT ASSETS | | 380,461 | 378,277 |
| NON-CURRENT ASSETS | | | |
| Property, Plant and equipment | 6 | 102,691 | 128,884 |
| TOTAL NON-CURRENT ASSETS | | 102,691 | 128,884 |
| TOTAL ASSETS | | 483,152 | 507,161 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 7 | 21,783 | 29,812 |
| Provisions | 8 | - | - |
| TOTAL CURRENT LIABILITIES | | 21,783 | 29,812 |
| TOTAL LIABILITIES | | 21,783 | 29,812 |
| NET ASSETS | | 461,369 | 477,349 |
| MEMBERS' FUNDS | | | |
| Accumulated Surplus | | 461,369 | 477,349 |
| TOTAL MEMBERS' FUNDS | | 461,369 | 477,349 |

The accompanying notes form part of the financial statements

**Statement of Changes in Members' Fund
for the Year Ended 30 June 2015**

| | \$ |
|---|----------|
| Balance as at 1 July 2013 | 450,420 |
| Profit/Loss) attributable to members | 26,929 |
| Balance at 30 June 2014 | 477,349 |
| <hr/> | |
| | \$ |
| Balance as at 1 July 2014 | 477,349 |
| (Loss) / Profit attributable to members | (15,980) |
| Balance at 30 June 2015 | 461,369 |

The accompanying notes form part of the financial statements

**Statement of Cash Flows
for the Year ended 30 June 2015**

| | Note | 2015 \$ | 2014 \$ |
|--|------|----------------|-----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from members and customers | | 144,795 | 585,437 |
| Interest Received | | 2,587 | 4,240 |
| Receipts from CCF Branches | 11f | 404,663 | 944,716 |
| Other Revenue | | 19,219 | 41,051 |
| Payments to employees | | - | (192,050) |
| Payments to CCF Branches | 11f | (347,036) | (198,116) |
| Payments to suppliers | | (123,557) | (1,214,872) |
| Net cash provided by operating activities | 12b | 100,671 | (29,594) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Plant Acquired | | - | (19,340) |
| System Exchange Software | | (7,851) | 1,280 |
| Net cash (used) in investing activities | | (7,851) | (18,060) |
| Net (decrease)/increase in cash held | | 92,820 | (47,654) |
| Cash at the beginning of the financial year | | 221,669 | 269,323 |
| Cash at the end of the financial year | 12a | 314,489 | 221,669 |

The accompanying notes form part of the financial statements

Notes to the Financial Statements for the Year Ended 30 June 2015

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 Federation (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 2015**

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 2015**

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 comprising National Office contributions is recognised proportionately over the period to which it relates. Any contribution received in advance for the next period is included in deferred income.

Member subscriptions revenue is recorded on an accruals basis of accounting.

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 2015**

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

i. 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 Federation throughout Australia.

j. 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.

k. 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.

l. 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 (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

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

**Notes to the Financial Statements
for the Year Ended 30 June 2015**

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

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

m. 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.

n. 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 2015, 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 (2014: \$nil). The Board believes that the full amount of the debtors are recoverable.

Notes to the Financial Statements for the Year Ended 30 June 2015

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

o. 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 to annual reporting periods beginning on or after 1 January 2018).

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 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, upfront accounting for expected credit loss, 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 the Standard, the application of such accounting would be largely prospective.

Although the National Board 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 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods commencing on or after 1 January 2017).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer
- identify the performance obligations in the contract(s)
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

Although the National Board anticipate that the adoption of AASB 15 may have an impact on the National Office's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

**Notes to the Financial Statements
for the Year Ended 30 June 2015**

p. 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 2015 (cont'd)**

| | 2015 \$ | 2014 \$ |
|---|----------------|------------------|
| NOTE 2: REVENUE | | |
| Operating activities: | | |
| Sponsorships | 100,000 | 100,000 |
| National Office Contributions | 330,192 | 754,259 |
| National Conference & Earth Awards | - | 227,112 |
| CCF/IBC Income | 28,630 | 50,000 |
| Interest Received | 2,587 | 4,240 |
| Donations / Grants | - | - |
| Member Subscriptions | - | - |
| Compulsory & Voluntary Levy | - | - |
| Industry Rebates & Incentives | - | 208,325 |
| Other Revenue | 19,219 | 41,051 |
| Total Revenue | 480,628 | 1,384,987 |
| NOTE 3: LOSS FROM ORDINARY ACTIVITIES | | |
| The operating profit / (loss) of the National Office before income tax expense has been determined after: | | |
| a. Auditor's Remuneration – audit of financial statements | 3,500 | 9,055 |
| b. Depreciation and amortisation | | |
| Plant and equipment | 34,044 | 75,484 |
| c. Other Expenses | | |
| Donations | - | - |
| Penalties – RO Act and Regulations | - | - |
| Consideration to Employers making Payroll Deductions | - | - |
| Fees or/allowances for conference / meeting attendance | - | - |
| Affiliation Fees | - | - |
| NOTE 4: CASH AND CASH EQUIVALENTS | | |
| Current | | |
| Cash at bank | 314,489 | 221,669 |
| Petty Cash | - | - |
| Security Deposit | - | - |
| | 314,489 | 221,669 |

The weighted average interest rate for cash as at 30 June 2015 is 2.75% (2014: 2.75%)

**Notes to the Financial Statements
for the Year Ended 30 June 2015 (cont'd)**

| | 2015 \$ | 2014 \$ |
|--|---------------|----------------|
| NOTE 5: TRADE AND OTHER RECEIVABLES | | |
| a. Current | | |
| Sundry Debtors and Prepayments | 38,272 | 122,608 |
| CCF/IBC Partnership Loan Account | 27,700 | 34,000 |
| | <u>65,972</u> | <u>156,608</u> |

- b. Terms and Conditions**
Details of the sundry debtors owing from related parties are outlined at Note 10.
No debtors are outside of agreed trading terms. intangibles

NOTE 6: PLANT AND EQUIPMENT

| | | |
|---|----------------|----------------|
| Plant and equipment – at cost | 278,557 | 270,706 |
| Less: Accumulated amortisation / depreciation | (175,866) | (141,822) |
| | <u>102,691</u> | <u>128,884</u> |

| | | |
|-------------------------------------|----------------|----------------|
| Total fixed assets – net book value | <u>102,691</u> | <u>128,884</u> |
|-------------------------------------|----------------|----------------|

Reconciliation of movements in plant and equipment

Plant and equipment

| | | |
|--|----------|----------|
| Carrying amount at beginning of the year | 128,884 | 211,161 |
| Additions | 7,851 | 19,340 |
| Disposals | - | (26,290) |
| Amortisation / Depreciation expense | (34,044) | (75,327) |

| | | |
|------------------------------------|----------------|----------------|
| Carrying amount at end of the year | <u>102,691</u> | <u>128,884</u> |
|------------------------------------|----------------|----------------|

Furniture and Fittings

| | | |
|--|---|-------|
| Carrying amount at beginning of the year | - | 1,014 |
| Additions | - | - |
| Disposals | - | (857) |
| Depreciation expense | - | (157) |

| | | |
|------------------------------------|----------|----------|
| Carrying amount at end of the year | <u>-</u> | <u>-</u> |
|------------------------------------|----------|----------|

Notes to the Financial Statements
for the Year Ended 30 June 2015 (cont'd)

| | 2015 \$ | 2014 \$ |
|---|------------|------------|
| NOTE 7: TRADE AND OTHER PAYABLES | | |
| a. Current | | |
| Trade Creditors | 12,925 | 34,253 |
| Sundry Payables | 8,858 | (4,441) |
| | 21,783 | 29,812 |

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

| | 2015 \$ | 2014 \$ |
|---------------------------------------|------------|------------|
| Current | | |
| Provision for Annual Leave (i) | - | - |
| Provision for Long Service Leave (i) | - | - |
| Provision – Diesel Fuel Campaign (ii) | - | - |
| Provision for Industry Action (ii) | - | - |
| | - | - |

(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

| | |
|---|---|
| - | - |
|---|---|

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

| | Annual Leave | | Long Service Leave and Retirement Allowance | | Total | |
|---------------|--------------|------------|---|------------|------------|------------|
| | 2015 \$ | 2014 \$ | 2015 \$ | 2014 \$ | 2015 \$ | 2014 \$ |
| Officeholders | - | - | - | - | - | - |
| Other Staff | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |

There are no provisions for separation and redundancy or other provisions for officeholders or other employees (2014: \$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 2015 (cont'd)**

NOTE 9: EMPLOYEE BENEFITS

| Employee benefits paid/accrued during the year | Elected Officials (Office holders) | | Employees (other than Elected Officials) | | Total | |
|--|---------------------------------------|------------|--|----------------|------------|----------------|
| | 2015 \$ | 2014 \$ | 2015 \$ | 2014 \$ | 2015 \$ | 2014 \$ |
| Wages and Salaries | - | - | - | 109,194 | - | 109,194 |
| Annual Leave and Long Service Leave | - | - | - | (10,713) | - | (10,713) |
| Redundancy Payments | - | - | - | 68,980 | - | 68,980 |
| Payroll Tax | - | - | - | 12,890 | - | 12,890 |
| Superannuation | - | - | - | 11,699 | - | 11,699 |
| Total | - | - | - | 192,050 | - | 192,050 |

All employees at the National Office ceased in September 2013 (2014 financial year). Operations of the National Office were taken over by the CCF Victoria and CCF Queensland branches. No bonuses or share based payments were made to officers / employees during the year (2014: \$nil).

Notes to the Financial Statements for the Year Ended 30 June 2015 (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 2015.

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 National Office Finance Sub-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 2015, 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:

| | 2015 \$ | 2014 \$ |
|---------------------------------|------------|------------|
| Change in profit/(loss) | | |
| Increase in interest rate by 1% | 3,145 | 2,217 |
| Decrease in interest rate by 1% | (3,145) | (2,217) |
| Change in equity | | |
| Increase in interest rate by 1% | 3,145 | 2,217 |
| Decrease in interest rate by 1% | (3,145) | (2,217) |

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 2015 (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 \$ | Fixed Interest Rate Maturities Over 5 years \$ | Non Interest Bearing \$ | Total \$ |
|--------------------------------------|--|------------------------------------|-------------------------|-----------------------|---|-------------------------------|-------------|
| 30 June 2015 | | | | | | | |
| Assets: | | | | | | | |
| Cash | 2.75 | 314,489 | - | - | - | - | 314,489 |
| Trade and Sundry Debtors | | - | - | - | - | 65,972 | 65,972 |
| | | 314,489 | - | - | - | 65,972 | 380,461 |
| Liabilities: | | | | | | | |
| Sundry Creditors & Other Liabilities | | - | - | - | - | (21,783) | (21,783) |
| | | - | - | - | - | (21,783) | (21,783) |
| Net financial assets | | 314,489 | - | - | - | 44,189 | 358,678 |
| 30 June 2014 | | | | | | | |
| Assets: | | | | | | | |
| Cash | 2.75 | 221,669 | - | - | - | - | 221,669 |
| Trade and Sundry Debtors | | - | - | - | - | 156,608 | 156,608 |
| | | 221,669 | - | - | - | 156,608 | 378,277 |
| Liabilities: | | | | | | | |
| 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 2015 (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:

Anthony Baulderstone, Michael Unger, Gary Gardiner, Nick Zardo, Michael Boyle, Peter Kendall, Adrian Granger, Christopher Reynolds, Robert Wilson and Michael Cull.

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 (2014: \$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

All employees at the National Office ceased in September 2013 (2014 financial year). Operations of the National Office were taken over by the CCF Victoria and CCF Queensland branches.

| c. Key Management Personnel Remuneration | 2015 \$ | | | 2014 \$ | | |
|--|---------------------------|--------------------------------|-------------|---------------------------|--------------------------------|-------------|
| | Short Term Benefits \$ | Post Employment Benefits \$ | Total \$ | Short Term Benefits \$ | Post Employment Benefits \$ | Total \$ |
| Total Compensation | - | - | - | 94,729 | 8,762 | 103,491 |

| d. Annual Leave and Long Service Leave Accrued for Key Management Personnel at end of the Year | 2015 \$ | | | 2014 \$ | | |
|--|--------------------|--------------------------|-------------|--------------------|--------------------------|-------------|
| | Annual Leave \$ | Long Service Leave \$ | Total \$ | Annual Leave \$ | Long Service Leave \$ | Total \$ |
| Total Leave Provision | - | - | - | - | - | - |

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 2015 (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 | 2015 \$ | 2014 \$ |
|--|----------------|-----------------|
| Victoria Branch | (2,959) | (14,435) |
| Queensland Branch | (8,866) | (17,602) |
| South Australia Branch | 6,043 | 5,313 |
| Western Australia Branch | - | (5,356) |
| NSW Branch | 4,875 | 9,846 |
| Northern Territory Branch | - | - |
| Tasmania Branch | - | - |
| ACT Branch | - | - |
| | <u>(907)</u> | <u>(22,234)</u> |
| Balance Reconciliation- related entities | | |
| Victoria Branch | | |
| Carrying amount at beginning of the year | (14,435) | (2,605) |
| Levy income | 65,724 | 173,312 |
| Sundry income | 11,670 | 46,377 |
| Sundry charges | (32,409) | (111,024) |
| Receipts | (78,885) | (218,201) |
| Payment made | 45,376 | 97,706 |
| Carrying amount at end of the year | <u>(2,959)</u> | <u>(14,435)</u> |
| Queensland Branch | | |
| Carrying amount at beginning of the year | (17,602) | (58,145) |
| Levy income | 76,002 | 185,517 |
| Sundry income | 8,276 | 137,439 |
| Sundry charges | (221,130) | - |
| Receipts | (101,129) | (289,112) |
| Payment made | 246,717 | 6,699 |
| Carrying amount at end of the year | <u>(8,866)</u> | <u>(17,602)</u> |
| South Australia Branch | | |
| Carrying amount at beginning of the year | 5,313 | 12,268 |
| Levy income | 74,282 | 167,661 |
| Sundry income | 7,429 | 1,028 |
| Sundry charges | (6,946) | (36,011) |
| Receipts | (90,531) | (171,232) |
| Payment made | 16,496 | 31,599 |
| Carrying amount at end of the year | <u>6,043</u> | <u>5,313</u> |
| Western Australia Branch | | |
| Carrying amount at beginning of the year | (5,356) | (1,140) |
| Levy income | 43,836 | 71,403 |
| Sundry income | 4,384 | 1,967 |
| Sundry charges | (27,712) | (55,973) |
| Receipts | (48,220) | (77,390) |
| Payment made | 33,068 | 55,777 |
| Carrying amount at end of the year | <u>-</u> | <u>(5,356)</u> |

**Notes to the Financial Statements
for the Year Ended 30 June 2015 (cont'd)**

NOTE 11: RELATED PARTIES (cont'd)

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

| | 2015 \$ | 2014 \$ |
|--|--------------|--------------|
| NSW Branch | | |
| Carrying amount at beginning of the year | 9,846 | 8,139 |
| Levy income | 52,141 | 116,641 |
| Sundry income | 2,230 | 31,005 |
| Sundry charges | - | (3,226) |
| Receipts | (64,721) | (148,223) |
| Payment made | 5,379 | 5,510 |
| Carrying amount at end of the year | <u>4,875</u> | <u>9,846</u> |
| Northern Territory Branch | | |
| Carrying amount at beginning of the year | - | - |
| Levy income | 8,129 | 19,725 |
| Sundry income | 906 | - |
| Sundry charges | - | - |
| Receipts | (9,035) | (19,725) |
| Payment made | - | - |
| Carrying amount at end of the year | <u>-</u> | <u>-</u> |
| Tasmania Branch | | |
| Carrying amount at beginning of the year | - | - |
| Levy income | 8,389 | 10,000 |
| Sundry income | 980 | - |
| Sundry charges | 916 | (825) |
| Receipts | (10,285) | (10,000) |
| Payment made | - | 825 |
| Carrying amount at end of the year | <u>-</u> | <u>-</u> |
| ACT Branch | | |
| Carrying amount at beginning of the year | - | - |
| Levy income | 1,688 | 10,000 |
| Sundry income | 169 | 833 |
| Sundry charges | - | - |
| Receipts | (1,857) | (10,833) |
| Payment made | - | - |
| Carrying amount at end of the year | <u>-</u> | <u>-</u> |

**Notes to the Financial Statements
for the Year Ended 30 June 2015 (cont'd)**

| | 2015 \$ | 2014 \$ |
|---|-------------------|-------------------|
| NOTE 12: CASH FLOW INFORMATION | | |
| a. Reconciliation of Cash | | |
| Cash at Bank | 314,489 | 221,669 |
| | <u>314,489</u> | <u>221,669</u> |
| b. Reconciliation of (loss) from ordinary activities after income tax to net cash provided by operating activities | | |
| Profit / (Loss) from Ordinary Activities after income tax | (15,980) | 26,929 |
| Add/(Less): | | |
| Non Cash Flows in (Loss) from Ordinary Activities: | | |
| Disposal Loss | - | 25,867 |
| Depreciation / Amortisation | 34,044 | 75,484 |
| Provision write-back | - | (106,847) |
| | <u>18,064</u> | <u>21,433</u> |
| Changes in Operating Assets and Liabilities | | |
| (Increase)/Decrease in Receivables | 90,636 | 270,424 |
| Increase/(Decrease) in Provisions | - | (69,692) |
| Increase/(Decrease) in Creditors, Accruals and Other Liabilities | (8,029) | (251,759) |
| Net Cash Provided by Operating Expenses | <u>100,671</u> | <u>(29,594)</u> |
| | 2015 \$ | 2014 \$ |

NOTE 13: OPERATING COMMITMENTS

Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalized in the financial statements:

- not later than 12 months
- between 12 months and five years
- greater than five years

| | |
|----------|----------|
| - | - |
| - | - |
| - | - |
| <u>-</u> | <u>-</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. The Office did not receive financial support from any other reporting unit during the year.

**Notes to the Financial Statements
for the Year Ended 30 June 2015 (cont'd)**

NOTE 17: 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 2015 (cont'd)**

NOTE 18: 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 2015 (cont'd)

NOTE 18: 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 2015 | | | Total |
|--|--------------|---------|---------|-------|
| | Level 1 | Level 2 | Level 3 | |
| | \$ | \$ | \$ | \$ |
| Recurring fair value measurements | | | | |
| <i>Financial assets</i> | | | | |
| Financial assets at fair value through profit or loss: | - | - | - | - |
| Available-for-sale financial assets: | - | - | - | - |
| Total financial assets recognised at fair value | - | - | - | - |
| <i>Non-financial assets</i> | | | | |
| Freehold land & buildings | - | - | - | - |
| Total non-financial assets recognised at fair value | - | - | - | - |

| Note | 30 June 2014 | | | Total |
|--|--------------|---------|---------|-------|
| | Level 1 | Level 2 | Level 3 | |
| | \$ | \$ | \$ | \$ |
| Recurring fair value measurements | | | | |
| <i>Financial assets</i> | | | | |
| Financial assets at fair value through profit or loss: | - | - | - | - |
| Available-for-sale financial assets: | - | - | - | - |
| Total financial assets recognised at fair value | - | - | - | - |
| <i>Non-financial assets</i> | | | | |
| Freehold land & buildings | - | - | - | - |
| Total non-financial assets recognised at fair value | - | - | - | - |

b. Valuation Techniques and Inputs Used to Measure Fair Values

| Description | Fair Value at 30 June 2015 and 30 June 2014 \$ | 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 2015 (cont'd)**

NOTE 18: 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 discounted cash methodology | using 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 discounted cash methodology | using Market interest rates flow for similar assets |
| Hire purchase liabilities | 2 | Income approach discounted cash methodology | using Current commercial borrowing rates for similar instruments |

NOTE 19: 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 payables for any legal services at reporting date.

**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 The National Board responsibility

The financial report comprises the National Board 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 Federation (National Office) for the year ended 30 June 2015 set out on pages 4 to 30.

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 National Board.

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 2015, 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 & Advisors



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

Dated this 2nd day of December 2015