



**Australian Government**  
**Registered Organisations Commission**

---

29 November 2018

Mr Peter Middleton  
President  
Civil Contractors Federation, Australian Capital Territory Branch

By e-mail: [canberra@mba.org.au](mailto:canberra@mba.org.au)

Dear Mr Middleton

**Civil Contractors Federation, Australian Capital Territory Branch**  
**Financial Report for the year ended 30 June 2018 - FR2018/234**

I acknowledge receipt of the financial report for the year ended 30 June 2018 for the Civil Contractors Federation, Australian Capital Territory Branch (CCF-ACT). The financial report was lodged with the Registered Organisations Commission (ROC) on 8 November 2018.

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

Whilst the 2018 report has been filed the following should be addressed in the preparation of the next financial report.

**Auditor' Report**

Audit scope to include subsection 255(2A) report

A general purpose financial report prepared under section 253 of the RO Act includes the expenditure report required to be prepared under subsection 255(2A) as prescribed by reporting guideline 22.

Please note that the subsection 255(2A) report must be identified by title in the auditor's statement in accordance with paragraph 24(c) of Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report*.

A subsection 255(2A) report was included in the documents lodged with the ROC but the auditor did not refer to the report in the auditor's report.

In future, please ensure that the auditor's report includes the subsection 255(2A) report within its scope.

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) 9603 0707 or by email at [ken.morgan@roc.gov.au](mailto:ken.morgan@roc.gov.au)

Yours faithfully

A handwritten signature in black ink, appearing to read 'K. Morgan', with a stylized flourish at the end.

**KEN MORGAN**  
**Financial Reporting Specialist**  
**Registered Organisations Commission**

**CIVIL CONTRACTORS FEDERATION ACT BRANCH**

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

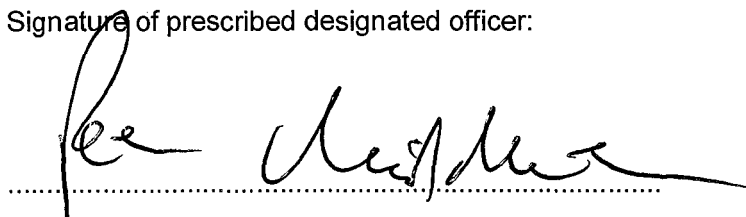
**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER<sup>1</sup>**

Certificate for the year ended 30 June 2018

**I PETER MIDDLETON** being the **PRESIDENT** of the **CIVIL CONTRACTORS FEDERATION ACT BRANCH** certify:

- that the documents lodged herewith are copies of the full report for the **Civil Contractors Federation ACT Branch** for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on **28 September 2018**; and
- that the full report was presented to a general meeting of members of the reporting unit on **24 October 2018** in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

A handwritten signature in dark ink, appearing to read 'Peter Middleton', is written over a horizontal dotted line.

Name of prescribed designated officer: PETER MIDDLETON

Title of prescribed designated officer: PRESIDENT

Dated: 7 November 2018

---

<sup>1</sup> Regulation 162 of the *Fair Work (Registered Organisations) Regulations 2009* defines a 'prescribed designated officer' of a reporting unit for the purposes of s.268(c) as:

- (a) the secretary; or
- (b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

**CIVIL CONTRACTORS FEDERATION  
(ACT BRANCH)**

**ABN 43 071 303 562**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 June 2018**

## **Contents**

Operating Report .....	1 - 3
ACT Committee & Management Board Statement .....	4
Auditor's Independence Declaration.....	5
Expenditure Report Under Subsection 255 (2A).....	6
Statement of Profit or Loss .....	7
Statement of Comprehensive Income .....	8
Statement of Financial Position .....	9
Statement of Changes in Members' Funds .....	10
Statement of Cash Flows .....	11
Notes to the Financial Statements .....	12-31
Auditor's Report.....	32-34

**Operating Report  
for the Year Ended 30 June 2018**

The Committee of Management presents its operating report on Civil Contractors Federation Australian Capital Territory Branch (CCF ACT) for the year ended 30 June 2018.

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

The principal activities of the Branch 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 Branch operates predominantly in one business and geographical segment, being a representative body of civil construction contractors in Australian Capital Territory, 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 Branch throughout Australian Capital Territory. The Branch represents its members and the public at all levels of Government and lobbies for concessions relating to civil construction and business trade.

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

The Branch's principal activities resulted in a loss of \$4,335 (2017: loss of \$5,075).

Advocacy and member services in industrial relations services has again been a focus given Federal Workplace Relations reform including workplace agreements and Building and Construction Industry Code Compliance.

The Branch has also continued service provision in workplace training to meet industry demand.

Continued education and promotion of contractors has occurred to achieve recognition as accredited contractors for quality management OH&S and environmental management utilising the Branch's Contractor Management System.

The Branch 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 Commissioner, Registered Organisations Commission

The CCF Group is currently undertaking a restructure wherein the branches (including CCF ACT), will transfer their net operating assets to newly established companies limited by guarantee, for no consideration. It is envisaged the companies limited by guarantee will continue to be controlled by the branch executive / members, and that the state branches will ultimately be wound up. This is expected to occur prior to the end of the next financial year. The organisation's registration with the Fair Work Commission will remain.

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

There were no significant changes in the nature of the Branch'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 Branch.

**Operating Report  
for the Year Ended 30 June 2018**

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

No officers and members hold positions as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of the Branch.

**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: 21 Members. At the end of the previous financial year there were 20 Members.

**NUMBER OF EMPLOYEES RO reg 159(b)**

The number of persons who were, at the end of the financial year, employees of the ACT Branch of the Federation was nil (2017; nil).

**ACT BRANCH BOARD MEMBERS reg 159(c)**

The persons who held office as members of the Committee/Board of Management of the ACT Branch during the financial year were:

<b>Name</b>	<b>Position</b>	<b>Period</b>
Peter Middleton	President and Alternate National Board Member	01/07/17 to 30/06/18
Nigel Forde	Vice President	01/07/17 to 19/09/17
Martin Boyd	Treasurer	01/07/17 to 19/09/17
Martin Boyd	Vice President	20/09/17 to 30/06/18
Nigel Forde	Treasurer	20/09/17 to 30/06/18
Nick Zardo	Board Member and National Board Member	01/07/17 to 30/06/18
Stuart Ritchie	Board Member	"
Paul Macor	Board Member	"
Anisha Sachdeva	Board Member	20/09/17 to 30/06/18

**Operating Report  
for the Year Ended 30 June 2018**

**MANNER OF RESIGNATION**

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

Signature of designated officer: 

Name and title of designated officer: PRESIDENT CCF ACT BRANCH

Dated: 12<sup>th</sup> SEPTEMBER 2018



**ACT Branch Committee of Management Statement  
for the Year Ended 30 June 2018**

On 12 September 2018 the Civil Contractors Federation (ACT Branch) Committee of Management passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2018:

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
  - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) in relation to recovery of wage activity, there has been no recovery of wage activities during the year.

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

Signature of designated officer: 

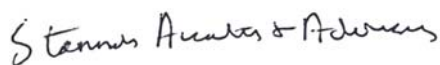
Name and title of designated officer: President CCF ACT

Dated: 12<sup>th</sup> September 2018

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE BOARD OF THE  
CIVIL CONTRACTORS BRANCH  
ACT BRANCH**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2018, 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  
60 Toorak Road, South Yarra VIC 3141



MB Shulman  
Registered Company Auditor (163888)  
Holder of Current Public Practice Certificate  
Approved Auditor (FWC Act and Regulations – AA2018/45)

Dated: 12 September 2018

## Expenditure Report For the Year ended 30 June 2018

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2018.

	Note	2018 \$	2017 \$
<b>CATEGORIES OF EXPENDITURE</b>			
Remuneration and other employment-related costs and expenses - employees		-	-
Advertising		3,864	-
Operating Costs		13,936	21,433
Donations to Political Parties		-	-
Legal Costs		-	-
<b>Total</b>		<b>17,800</b>	<b>21,433</b>

Signature of designated officer: 

Name and title of designated officer: PRESIDENT CCF ACT.

**Statement of Profit or Loss  
for the Year Ended 30 June 2018**

	Note	2018 \$	2017 \$
Revenue	3	13,465	16,358
Capitation Fees	4b	(5,500)	(5,584)
Audit & Accounting Fees	4a	(1,900)	(2,200)
Bad and Doubtful Debts	4c	-	-
Bank Charges		(120)	(122)
Consultant Fees		-	(301)
Legal Costs - Litigation		-	-
- Other Matters		-	-
Loss on Disposal of Investment		-	(12,500)
Fees or allowances paid to attend conferences or other meetings as a representative of the Branch		-	-
Conference & Meeting Expenses	4d	(3,397)	(405)
Other Expenses	4f	(6,883)	(321)
<b>Profit from ordinary activities before income tax expense</b>		<b>(4,335)</b>	<b>(5,075)</b>
Income tax expense	1a	-	-
<b>Net profit from ordinary activities after income tax expense attributable to the Branch</b>		<b>(4,335)</b>	<b>(5,075)</b>

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income  
for the Year Ended 30 June 2018**

	<b>2018</b> <b>\$</b>	<b>2017</b> <b>\$</b>
(Loss) / Profit for the period	(4,335)	(5,075)
Total Comprehensive Income / (Loss) for the period	(4,335)	(5,075)
Total Comprehensive Income / (Loss attributable to members of the organisation	(4,335)	(5,075)

The accompanying notes form part of the financial statements

**Statement of Financial Position  
as at 30 June 2018**

	Note	2018 \$	2017 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	67,921	72,129
Trade and other receivables	6	987	934
<b>TOTAL CURRENT ASSETS</b>		68,908	73,063
<b>TOTAL ASSETS</b>		<b>68,908</b>	<b>73,063</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	2,180	2,000
<b>TOTAL CURRENT LIABILITIES</b>		2,180	2,000
<b>TOTAL LIABILITIES</b>		<b>2,180</b>	<b>71,063</b>
<b>NET ASSETS</b>		<b>66,728</b>	<b>71,063</b>
<b>MEMBERS' FUNDS</b>			
Accumulated Surplus		66,728	71,063
<b>TOTAL MEMBERS' FUNDS</b>		<b>66,728</b>	<b>71,063</b>

The accompanying notes form part of the financial statements

**Statement of Changes in Members' Funds  
for the Year Ended 30 June 2018**

	\$
Balance as at 1 July 2016	76,138
Profit /(Loss) attributable to members	(5,075)
Balance at 30 June 2017	71,063

	\$
Balance as at 1 July 2017	71,063
Profit /(Loss) attributable to members	(4,335)
Balance at 30 June 2018	66,728

**Statement of Cash Flows**  
**For the Year ended 30 June 2018**

	<b>Note</b>	<b>2018</b> <b>\$</b>	<b>2017</b> <b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members and customers		13,200	15,955
Payments to suppliers and employees		(5,812)	(4,403)
Payments to related entities – National Office		(11,861)	(5,584)
Interest received		265	403
<b>Net cash provided by / (used in) operating activities</b>	12b	<b>(4,208)</b>	<b>6,371</b>
<b>Net increase / (decrease) in cash held</b>		<b>(4,208)</b>	<b>6,371</b>
Cash at the beginning of the financial year		<b>72,129</b>	<b>65,758</b>
<b>Cash at the end of the financial year</b>	12a	<b>67,921</b>	<b>72,129</b>

The accompanying notes form part of the financial statements



## Notes to the Financial Statements for the Year Ended 30 June 2018

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Preparation of the Financial Statements

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

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

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

#### Prior Year Comparatives

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

#### Accounting Policies

##### a. Income Tax

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

##### b. Cash and cash equivalents

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

##### c. 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 Committee of Management 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 2018

### d. Employee Benefits

#### Short-term employee benefits

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

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

#### Superannuation

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

The number of employees at the end of the period was nil.

### e. Trade and other Receivables

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

The collectability of debts is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivable is established when there is objective evidence that the Union will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognised in the income statement as an expense.

### f. Trade and other Payables

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

**Notes to the Financial Statements  
for the Year Ended 30 June 2018 (cont'd)**

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

**g. 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 Branch 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 straight-line basis over their estimated useful lives where it is likely that the Branch 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.

Lease incentives received under operating leases are recognised as a liability. Lease payments made reduce the liability.

**h. 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. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

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.

**i. Revenue**

Revenue from membership subscriptions is recognised proportionately over the period to which it relates on an accruals basis.

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 2018 (cont'd)**

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

**j. Operating Segment**

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

The Branch operates predominantly in one business and geographical segment, being a representative body of civil engineering contractors in Australian Capital Territory, 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 Australian Capital Territory.

**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. Fair Value of Assets and Liabilities**

The Branch 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 Branch 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).

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 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.

**Notes to the Financial Statements  
for the Year Ended 30 June 2018 (cont'd)**

**m. Critical Accounting Estimates and Judgements**

The Committee of Management evaluate 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 Branch.

*Key Estimates – Impairment*

The Committee of Management assesses impairment on each reporting date by evaluating conditions specific to the Branch 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 2018.

*Key Judgements - Doubtful Debts Provision*

The Committee of Management have assessed each debtor and have estimated a provision for doubtful debts amounting to nil (2017: nil). The Committee of Management believes that the full amount of the remaining debtors is recoverable.

**Notes to the Financial Statements  
for the Year Ended 30 June 2018 (cont'd)**

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

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

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the entity. The Committee of Management have decided not to early adopt any of the new and amended pronouncements. Their assessment of the pronouncements that are relevant to the entity but applicable in future reporting periods is set out 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 entity 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 Committee of Management anticipates that the adoption of AASB 9 may have an impact on the entity's financial instruments, including hedging activity, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 2014-7: *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)*.

AASB 2014-7: (issued December 2014) gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issue of AASB 9: *Financial Instruments (December 2014)*. More significantly, additional disclosure requirements have been added to AASB 7: *Financial Instruments: Disclosure regarding credit risk exposures of the entity*. This Standard also makes various editorial corrections to Australian Accounting Standards and an Interpretation.

AASB 2014-7 mandatorily applies to annual reporting periods beginning on or after 1 January 2018. Earlier application is permitted, provided AASB 9 (December 2014) is applied for the same period.

- AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases

**Notes to the Financial Statements  
for the Year Ended 30 June 2018 (cont'd)**

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

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

The main changes introduced by the new Standard are as follows:

- new lessee accounting requirements for leases at significantly below-market terms and conditions (commonly known as “peppercorn leases”) principally to enable the lessee to further its objectives. This requires the lessee to recognise the leased asset / right-of-use asset at fair value per AASB 13, the lease liability per AASB 117/AASB 16 and the residual as income (after related amounts) at the inception of the lease per AASB 1058;
- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
- inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Although the Committee of Management anticipates that the adoption of AASB 16 will impact the entity's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 1058: *Income of Not-for-Profit Entities* (applicable to annual reporting periods beginning on or after 1 January 2019).

This Standard is applicable when an entity receives volunteer services or enters into other transactions where the consideration to acquire the asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives.

The significant accounting requirements of AASB 1058 are as follows:

- Income arising from an excess of the initial carrying amount of an asset over the related amount being contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.
- Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards. Income must be recognised in profit or loss when the entity satisfies its obligations under the transfer.

## Notes to the Financial Statements for the Year Ended 30 June 2018

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

#### n. New Accounting Standards for Application in Future Periods (cont'd)

A private sector not-for-profit entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. Recognised volunteer services should be measured at fair value and any excess over the related amounts (such as contributions by owners or revenue) immediately recognised as income in profit or loss.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented in accordance with AASB 108 (subject to certain practical expedients); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract or transaction for which the entity has recognised all of the income in accordance with AASB 1004: *Contributions*.

Although the Committee of Management anticipates that the adoption of AASB 1058 may have an impact on the entity's financial statements, it is impractical at this stage to provide a reasonable estimate of such impact.

- AASB 2016-8: *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities*.

AASB 2016-8 (issued December 2016) inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9: *Financial Instruments* and AASB 15: *Revenue from Contracts with Customers* as a consequence of AASB 1058: *Income of Not-for-Profit Entities* (refer to [1-0900]).

AASB 2016-8 mandatorily applies to annual reporting periods beginning on or after 1 January 2019. Earlier application is permitted, provided AASB 1058 is applied for the same period.

This pronouncement is not expected to impact the Branch.

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

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

- (1) A Member of an organisation, or the Commissioner, Registered Organisations Commission, may apply to the organisation for specified prescribed information in relation to the organisation 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 organisation.
- (3) An organisation must comply with an application made under subsection (1).

### 2. Fund Analysis

For the financial year ended 30 June 2018, there was no applicable fund or account operated in respect of compulsory levies, voluntary contributions or required by the rules of the Branch; and

- there was no transfer and/or withdrawal from a fund, account, asset or controlled entity which is kept for a specific purpose.



**Notes to the Financial Statements  
for the Year Ended 30 June 2018 (cont'd)**

	2018 \$	2017 \$
<b>NOTE 3: REVENUE</b>		
Operating activities:		
Membership Income (Subscriptions)	13,200	12,350
Interest	265	403
Sponsorship	-	-
Functions	-	3,605
Sundry Income	-	-
Consulting Fees	-	-
Projects Income	-	-
Sundry Income	-	-
Donations	-	-
Grants	-	-
Capitation Fees	-	-
Compulsory Levies and Voluntary Contributions (Other Bodies)	-	-
Financial Support (Branches)	-	-
Other Revenue Derived from Undertaking Recovery of Wager Activity	-	-
<b>Total Revenue</b>	<b>13,465</b>	<b>16,358</b>
<b>NOTE 4: PROFIT FROM ORDINARY ACTIVITIES</b>		
The operating profit of the Branch before income tax expense has been determined after:		
<b>a. Audit &amp; Accounting Fees</b>		
Auditor's Remuneration – Financial Statement Audit	1,900	2,200
Auditor's Remuneration – Other Services	-	-
Accounting fees	-	-
	<b>1,900</b>	<b>2,200</b>
<b>b. Capitation Fees</b>		
National office capitation fees	5,500	5,584
	<b>5,500</b>	<b>5,584</b>
Capitation fees are paid to the CCF National Office to assist in funding the National Office operations.		
<b>c. Bad and Doubtful Debts</b>		
Bad debts written off	-	-
Provision for doubtful debts	-	-
	<b>-</b>	<b>-</b>
<b>d. Conference &amp; Meeting Expenses</b>		
Meeting costs	3,397	405
	<b>3,397</b>	<b>405</b>

**Notes to the Financial Statements  
for the Year Ended 30 June 2018 (cont'd)**
**NOTE 4: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES  
(cont'd)**
**e. Employee related**

Wages & Salaries	-	-
Superannuation	-	-
Employee benefits (leave and other entitlements)	-	-
Payroll Tax	-	-
Training and recruitment	-	-
Other employee expenses	-	-
Separation and redundancy	-	-
	-	-

**f. Other expenses**

Advertising	3,864	-
Internet Costs	514	-
Licensing Fees	627	-
Affiliation Fees	-	-
Attendance Allowance / Fee – Meetings & Conferences	-	-
Penalties – via RO Act or Regulations	-	-
Other Compulsory Levies	-	-
Consideration to Employers for Payroll Deductions of	-	-
Membership Subscriptions	-	-
Donations < \$1,000	-	-
Donations > \$1,000	-	-
Grants < \$1,000	-	-
Grants > \$1,000	-	-
Public Relations	-	-
Legal costs – Litigation	-	-
Legal Costs – Consultation (Other Matters)	-	-
Sponsorship	-	-
Subscriptions – Political Parties etc.	-	-
Subscriptions	-	-
Forgiveness of Loans	-	-
Consulting Fees	-	-
Other / Sundry	-	321
Capitation fees	-	-
	5,005	321

**g. Expenses – Financial Affairs Administered by Other Entities**

For the financial year ended 30 June 2018, there was \$nil incurred for any financial affairs administered by other entities.

**Notes to the Financial Statements  
for the Year Ended 30 June 2018 (cont'd)**

<b>NOTE 5: CASH AND CASH EQUIVALENTS</b>	<b>2018 \$</b>	<b>2017 \$</b>
<b>Current</b>		
Cash at bank	67,921	72,129
	<u>67,921</u>	<u>72,129</u>

The weighted average interest rate for cash as at 30 June 2018 is 0.5% (2017: 1.00%)

**NOTE 6: TRADE AND OTHER RECEIVABLES**
**a. Current**

Trade debtors	-	660
Other	987	274
	<u>987</u>	<u>934</u>

**b. Terms and Conditions**

Trade debtors relate to services provided, they are non-interest bearing and are unsecured. Trade debtors relating to training carry terms of up to 90 days. All other trade debtors carry settlement terms of 30 days. No trade debtors are outside of trading terms at reporting date.

Details of the trade debtors owing from related parties are outlined at Note 11.

Other debtors are non-interest bearing and unsecured. This amount includes GST receivable, relating to goods and services tax that can be recovered from the Australian Taxation Office. No trade debtors are 'past due' or 'impaired' this year (2017: \$nil).

**NOTE 7: TRADE AND OTHER PAYABLES**
**a. Current**

Creditors and accruals	2,180	2,000
	<u>2,180</u>	<u>2,000</u>

**b. Terms and Conditions**

Creditors and accruals 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.

Details of the trade debtors owing from related parties are outlined at Note 11.

At reporting date, there were \$nil payable (2017) - \$nil in relation to: -

- consideration to employers for payroll deductions; and
- legal costs - litigation
- other.

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

### NOTE 8: EMPLOYEE PROVISIONS

	2018 \$	2017 \$
Number of employees at year-end	-	-

Employee Provisions are payable as follows:-

	Annual Leave		Long Service Leave and Retirement Allowance		Separation and Redundancy		Other Employee Provisions		Total	
	2018 \$	2017 \$	2018 \$	2017 \$	2018 \$	2017 \$	2018 \$	2017 \$	2018 \$	2017 \$
Officeholders	-	-	-	-	-	-	-	-	-	-
Other Staff	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

There are nil provisions for separation and redundancy or other provisions for officeholders or other employees (2017: \$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 Branch 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 Branch does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

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

### NOTE 9: EMPLOYEE BENEFITS

Employee benefits paid/accrued during the year	Elected Officials (Office holders)		Employees (other than Elected Officials)		Total	
	2018 \$	2017 \$	2018 \$	2017 \$	2018 \$	2017 \$
Wages and Salaries	-	-	-	-	-	-
Annual Leave and Long Service Leave	-	-	-	-	-	-
Redundancy Payments	-	-	-	-	-	-
Superannuation	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total	-	-	-	-	-	-

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

### NOTE 10: FINANCIAL RISK MANAGEMENT

#### Financial Risk Management Policies

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

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

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

#### ii. Treasury Risk Management

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

#### iii. Financial Risk Exposures and Management

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

Liquidity risk and credit risk

The Branch's manages these risks by monitoring its credit terms on trade debtors

Interest rate risk

The Branch has performed a sensitivity analysis relating to its exposure to interest rate 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 2018, the effect on profit and equity as a result of changes in interest rates, with all other variables remaining constant would be as follows:

	2018 \$	2017 \$
<b>Change in profit/(loss)</b>		
Increase in interest rate by 1%	679	721
Decrease in interest rate by 1%	(679)	(721)
<b>Change in equity</b>		
Increase in interest rate by 1%	679	721
Decrease in interest rate by 1%	(679)	(721)

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

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

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

#### Interest Rate Risk

The Branch'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 1 to 5 years \$	Over 5 years \$	Non Interest Bearing \$	Total \$
<b>30 June 2018</b>							
<b>Assets:</b>							
Cash	0.5%	67,921	-	-	-	-	67,921
Trade and Sundry Debtors		-	-	-	-	987	987
		67,921	-	-	-	987	68,908
<b>Liabilities:</b>							
Sundry Creditors & Other Liabilities		-	-	-	-	(2,180)	(2,180)
		-	-	-	-	(2,180)	(2,180)
Net financial assets		67,921	-	-	-	(1,193)	66,728
<b>30 June 2017</b>							
<b>Assets:</b>							
Cash	1.00	72,129	-	-	-	-	72,129
Trade and Sundry Debtors		-	-	-	-	934	934
		72,129	-	-	-	934	73,063
<b>Liabilities:</b>							
Sundry Creditors & Other Liabilities		-	-	-	-	2,000	2,000
		-	-	-	-	2,000	2,000
Net financial assets		72,129	-	-	-	(1,066)	71,063

#### Credit Risk Exposure

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 Branch is not materially exposed to any individual credit risk.

#### iv. Net Fair Values

The aggregate net fair values approximate the carrying amounts of financial assets and financial liabilities 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 2018 (cont'd)

### NOTE 11: RELATED PARTIES

#### a. ACT Branch Board members

The names of the members of the ACT Committee of Management who held office during the year are as follows:

Peter Middleton, Nigel Forde, Martin Boyd, Nick Zardo, Stuart Ritchie, Paul Macor and Anisha Sachdeva.

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

The officeholders received no 'non cash' benefits (2017: \$nil). No officeholder of the Branch 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 Branch (this year or last year) received any remuneration because they were a member of, or held a position with a Board or peak council because:-

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

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

Ken Crofts – Financial Controller

	2018 \$			2017 \$		
<b>c. Key Management Personnel Remuneration</b>	<b>Short Term Benefits</b> \$	<b>Post Employment Benefits</b> \$	<b>Total</b> \$	<b>Short Term Benefits</b> \$	<b>Post Employment Benefits</b> \$	<b>Total</b> \$
Total Compensation	-	-	-	-	-	-

	2018 \$			2017 \$		
<b>d. Annual Leave and Long Service Leave Accrued for Key Management Personnel at end of Year</b>	<b>Annual Leave</b> \$	<b>Long Service Leave</b> \$	<b>Total</b> \$	<b>Annual Leave</b> \$	<b>Long Service Leave</b> \$	<b>Total</b> \$
Total Leave Provision	-	-	-	-	-	-

No termination benefits or share based payments were received by key management this year (2017: \$nil).

**Notes to the Financial Statements  
for the Year Ended 30 June 2018 (cont'd)**
**NOTE 11: RELATED PARTIES (cont'd)****e. Transactions with National Office, Branches and Related Entities**

Entities related to ACT Branch 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.

	<b>2018</b>	<b>2017</b>
Levy Payment		
During the year, the ACT Branch paid a National capitation	\$	\$
levy calculated in accordance with the rules.	5,500	5,584

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

Amounts receivable/(payable) at reporting date	<b>2018</b>	<b>2017</b>
- Federal office and other branches	\$	\$
National Office	-	-
	-	-
Balance Reconciliation- related entities		
National Office		
Carrying amount at beginning of the year	-	-
Levy and other charges	(5,500)	(5,584)
Sundry charges	(6,361)	-
Sundry income	-	-
Receipts	-	-
Payment made	11,861	5,584
Carrying amount at end of the year	-	-

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2018, the Civil Contractors Federation (ACT Branch) has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2017: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



**Notes to the Financial Statements  
for the Year Ended 30 June 2018 (cont'd)**
**NOTE 12: CASH FLOW INFORMATION**

	2018 \$	2017 \$
<b>a. Reconciliation of Cash</b>		
Cash at bank and call deposits	67,921	72,129
	67,921	72,129
<b>b. Reconciliation of profit from ordinary activities after income tax to net cash provided by operating activities</b>		
Operating profit / (loss) after income tax	(4,335)	(5,075)
Add back: Loss on disposal of investments	-	12,500
<b>Changes in assets and liabilities</b>		
(Increase) / Decrease in receivables	7	11,606
(Decrease) / Increase in payables and other creditors	120	(12,660)
<b>Net cash provided by operating activities</b>	(4,208)	6,371

**NOTE 13: OPERATING COMMITMENTS****Operating Lease Commitments – as lessee**

Future minimum rentals payable under non-cancellable operating leases at 30 June are:

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

- Within one year
- After one year but not more than five years
- More than five years

-	-
-	-
-	-
-	-

**Operating Lease Commitments – as lessor**

Future minimum rentals receivable under non-cancellable operating leases at 30 June are:

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

- Within one year
- After one year but not more than five years
- More than five years

-	-
-	-
-	-
-	-

**NOTE 14: CAPITAL COMMITMENTS**

At 30 June 2018, the entity has no capital commitments.

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

### NOTE 15: FAIR VALUE MEASUREMENT

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

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

**Notes to the Financial Statements  
for the Year Ended 30 June 2018 (cont'd)**
**NOTE 15: FAIR VALUE MEASUREMENT (cont'd)**

		30 June 2018			
	Note	Level 1	Level 2	Level 3	Total
		\$	\$	\$	\$
<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>		-	-	-	-

		30 June 2017			
	Note	Level 1	Level 2	Level 3	Total
		\$	\$	\$	\$
<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 2018 \$	Valuation Technique(s)	Inputs Used
Available-for-sale financial assets:	-	Market approach using recent observable market data or discounted cashflows	Price per share, market borrowing rate
	-	-	-

**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;
- 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:

**Notes to the Financial Statements  
for the Year Ended 30 June 2018 (cont'd)**
**NOTE 15: FAIR VALUE MEASUREMENT (cont'd)**

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 flow 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 flow methodology	Market interest rates for similar assets

**NOTE 16: EVENTS SUBSEQUENT TO BALANCE DATE**

The CCF Group is currently undertaking a restructure wherein the branches (including CCF ACT), will transfer their net operating assets to newly established companies limited by guarantee, for no consideration. It is envisaged the companies limited by guarantee will continue to be controlled by the branch executive / members, and that the branches will ultimately be wound up. This is expected to occur prior to the end of the next financial year.

**NOTE 17: CONTINGENT ASSETS OR LIABILITIES**

The Branch is not subject to any material contingent assets and/or liabilities at balance date.

**NOTE 18: ECONOMIC DEPENDENCY**

The Branch is economically dependent on ongoing funding in the form of Membership fees.

**NOTE 19: OTHER DISCLOSURES**

The Branch did not receive financial support from any other reporting unit during the year, nor provide any such support to another Branch. Except as disclosed in the Statement of Profit and Loss, there were no expenses in connection with holding meetings of members of the Branch and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the Branch was wholly or partly responsible.

At 30 June 2018, a total amount of \$Nil was payable in respect of legal costs (relating to 'other matters') (2017: \$Nil). No payable exists at reporting date in respect of consideration to payroll deductions of membership subscriptions (2017: \$nil).

**NOTE 20: BRANCH DETAILS**

The registered office and the principal place of business of the Branch is:  
Civil Contractors Branch (ACT Branch)  
1 Iron Knob Street  
Fyshwick ACT 2609

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIVIL CONTRACTORS FEDERATION (ACT BRANCH)

To the Members of Civil Contractors Federation – ACT Branch

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Civil Contractors Federation (ACT Branch), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2018, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Civil Contractors Federation (ACT Branch) as at 30 June 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act).

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

#### Basis for Opinion

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

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

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

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

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

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

## **INDEPENDENT AUDIT REPORT (Cont'd)**

### **Responsibilities of Committee of Management for the Financial Report**

The Committee of Management of ACT Branch is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Committee of Management is responsible for assessing ACT Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate ACT Branch or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the CCF ACT audit. We remain solely responsible for our audit opinion.

**INDEPENDENT AUDIT REPORT**  
**(Cont'd)**

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

No revenue has been derived from undertaking recovery of wages activity during the 2018 financial year, as confirmed in the committee of management statement.



Stannards Accountants and Advisors



Michael B Shulman  
Partner

Melbourne, VIC  
Dated: 12 September 2018

Registered Company Auditor (163888)  
Holder of Current Public Practice Certificate  
Approved Auditor (FWC Act and Regulations – AA2018/45)