



15 August 2017

Mr Peter Middleton
President
Civil Contractor Federation Australian Capital Territory Branch
1 Iron Knob Street
FYSHWICK ACT 2609

via email: afroud@mba.org.au
Michael.shulman@standdards.com.au

Dear Mr Middleton,

Civil Contractor Federation Australian Capital Territory Branch Financial Report for the year ended 30 June 2016 - [FR2016/292]

I acknowledge receipt of the financial report of the Civil Contractor Federation Australian Capital Territory Branch. The documents were lodged with the Fair Work Commission (**the FWC**) on 27 October 2016. On 1 May 2017 the Registered Organisations Commission (**the ROC**) commenced and some functions of the FWC were transferred to the ROC. Your matter FR2016/292 was transferring to the ROC on this date.

The financial report has now been filed.

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

Please note that the financial report for the year ending 30 June 2017 may be subject to an advanced compliance review.

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

Timescale requirements

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timeline requirements can be found on the ROC website. In particular, I draw your attention to the fact sheet titled *financial reporting process* which explains the timeline requirements, and the fact sheet titled *summary of financial reporting timelines* which sets out the timeline requirements in diagrammatical form.

Reports must be presented to General Meeting within 6 months after end of financial year

Under subsection 265(1)(a) of the RO Act a reporting unit must provide free of charge to its members a full report. A full report consists of:

- (i) a copy of the report of the auditor in relation to the inspection and audit of the financial records of the reporting unit in relation to a financial year; and
- (ii) a copy of the general purpose financial report to which the report relates; and
- (iii) a copy of the operating report to which the report relates.

Subsection 253(2) states that the general purpose financial report must consist of:

- (a) financial statement containing
 - (i) a profit and loss statement, or other operating statement; and
 - (ii) a balance sheet; and
 - (iii) a statement of cash flows; and
 - (iv) any other statements required by the Australian Accounting Standards; and
- (b) notes to the financial statements containing:
 - (i) notes required by the Australian Accounting Standards; and
 - (ii) information required by the reporting guidelines (see section 255); and
- (c) any other reports or statements required by the reporting guidelines (see section 255) (including a Committee of Management Statement).

Under subsection 265(5)(a) of the RO Act, where the full report is presented to a General Meeting of members, the full report must be provided to members at least 21 days before that meeting. The Designated Officer's Certificate states that the full report was provided to members on 21 September 2016, and presented to a General Meeting of members on 11 October 2016.

The report was provided to members 20 days before the General Meeting of members not 21 days as required under subsection 265(5)(a) of the RO Act. I also note that the Committee of Management Statement, Operating Report and Auditor's Report were not signed until 26 October 2016 which is after the date the report was provided to members and after the date of the General Meeting of members. As identified above, these statements/reports are required documents of a full report. It would therefore appear that members have not been provided with a copy of the full report.

Please note that subsections 265(1) and 265(5) are both civil penalty provisions.

Reporting Requirements

New Reporting Guidelines will apply to organisations and branches with financial years commencing on or after 1 July 2017. Updates and information on the new guidelines will be provided through the ROC website and the [subscription service](#).

On the ROC website is a number of factsheets in relation to the financial reporting process and associated timelines. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The ROC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

If you have any queries regarding this letter, please contact me on 03) 9603 0731 or via email at joanne.fenwick@roc.gov.au.

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Registered Organisations Commission

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended *30 June 2016*

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 *30 June 2016* 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 21st September 2016 and
- that the full report was presented to *the Annual General Meeting* of the reporting unit on *11th October 2016* in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:.....

Name of prescribed designated officer: **Peter Middleton**

Title of prescribed designated officer: **President**

Dated: 15 August 2017

**CIVIL CONTRACTORS FEDERATION
(ACT BRANCH)**

ABN 43 071 303 562

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 June 2016**

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Operating Report for the Year Ended 30 June 2016

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 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 profit of \$2,867 (2015: profit of \$5,869).

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 General Manager Fair Work Commission (FWC).

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.

TRUSTEE OR DIRECTOR OF TRUSTEE COMPANY OF SUPERANNUATION ENTITY OR EXEMPT PUBLIC SECTOR SUPERANNUATION SCHEME S254(2)(D)

No officer, or member of the reporting unit [to the best of my knowledge] holds a position 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 an organisation.

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

**Operating Report
for the Year Ended 30 June 2016**

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 (2015; 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:

Name	Position	Period
Andrew Crompton	President and Alternate National Board Member	01/07/15 to 07/12/16
Peter Middleton	President and Alternate National Board Member	15/02/16 to 30/06/16
Nigel Forde	Vice President	01/07/15 to 30/06/16
Martin Boyd	Treasurer	"
Nick Zardo	Board Member and National Board Member	"
John Hite	Board Member	"
Kylie Mckay	Board Member	"

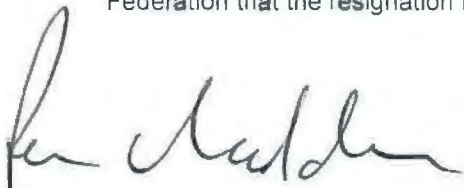
**Operating Report
for the Year Ended 30 June 2016**

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."



Peter Middleton
ACT President

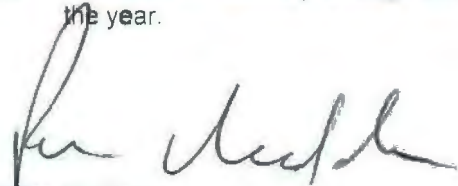
Date 26 / 10 / 2016

**ACT Branch Committee of Management Statement
for the Year Ended 30 June 2016**

On 26/10/2016, the Committee of Management of the Civil Contractors Federation ACT Branch, passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30th June 2016,

The Committee of Management 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 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;
 - (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 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 the Fair Work Commission 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.



Peter Middleton
ACT President

Date: 26/10/2016 2016

**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 2016, 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



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

Date: 24/06/16

**Statement of Profit and Loss
for the Year Ended 30 June 2016**

	Note	2016 \$	2015 \$
Revenue	2	15,256	16,282
Cost of Sales		-	-
Capitation Fees	3b	(5,500)	(1,688)
Audit & Accounting Fees	3a	(1,900)	(2,830)
Bad and Doubtful Debts	3c	-	(600)
Bank Charges		(145)	(121)
Legal Costs - Litigation		-	-
- Other Matters		-	-
Fees or allowances paid to attend conferences or other meetings as a representative of the Branch		-	-
Conference & Meeting Expenses	3e	(4,486)	(4,053)
Sponsorship Expenses		-	-
Other Expenses	3d	(358)	(1,121)
Profit from ordinary activities before income tax expense		2,867	5,869
Income tax expense	1a	-	-
Net profit from ordinary activities after income tax expense attributable to the Branch		2,867	5,869

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income
for the Year Ended 30 June 2016**

	2016	2015
	\$	\$
Profit / (loss) for the period	2,867	5,869
Total Comprehensive Income / (Loss) for the period	2,867	5,869
Total Comprehensive Income / (Loss) attributable to members of the organisation	2,867	5,869

The accompanying notes form part of the financial statements

**Statement of Financial Position
as at 30 June 2016**

	Note	2016 \$	2015 \$
CURRENT ASSETS			
Cash and cash equivalents	4	65,758	61,518
Trade and other receivables	5	12,540	1,625
TOTAL CURRENT ASSETS		78,298	63,143
NON-CURRENT ASSETS			
Financial assets	6	12,500	12,500
TOTAL NON-CURRENT ASSETS		12,500	12,500
TOTAL ASSETS		90,798	75,643
CURRENT LIABILITIES			
Trade and other payables	7	14,660	2,372
TOTAL CURRENT LIABILITIES		14,660	2,372
TOTAL LIABILITIES		14,660	2,372
NET ASSETS		76,138	73,271
MEMBERS' FUNDS			
Accumulated Surplus		76,138	73,271
TOTAL MEMBERS' FUNDS		76,138	73,271

The accompanying notes form part of the financial statements

**Statement of Changes in Members' Funds
for the Year Ended 30 June 2016**

	\$
Balance as at 1 July 2014	67,402
Profit /(Loss) attributable to members	5,869
Balance at 30 June 2015	73,271

	\$
Balance as at 1 July 2015	73,271
Profit /(Loss) attributable to members	2,867
Balance at 30 June 2016	76,138

Statement of Cash Flows
For the Year ended 30 June 2016

	Note	2016 \$	2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		16,220	15,420
Payments to suppliers and employees		(3,525)	(9,405)
Payments to related entities – National Office		(9,116)	(1,857)
Payments to related entities – Queensland Branch		-	(711)
Payments to related entities – Victoria Branch		-	(1,023)
Interest received		661	827
Net cash provided by / (used in) operating activities	12b	4,240	3,251
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings from National Office and State Branches		-	-
Net cash used in financing activities		-	-
Net increase / (decrease) in cash held		4,240	3,251
Cash at the beginning of the financial year		61,518	58,267
Cash at the end of the financial year	12a	65,758	61,518

The accompanying notes form part of the financial statements

Notes to the Financial Statements for the Year Ended 30 June 2016

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 and Fair Work (Registered Organisations) Regulations 2009.

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

The following is a summary of the material accounting policies adopted by the Branch in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

The financial report of Civil Contractors Branch (ACT Branch) as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) for their entirety.

The Civil Contractors Branch (ACT Branch) is a 'not for profit' organisation.

The financial report has been prepared on an accruals 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 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.

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.

Notes to the Financial Statements for the Year Ended 30 June 2016

Employee Benefits (cont'd)

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.

Notes to the Financial Statements for the Year Ended 30 June 2016 (cont'd)

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

e. 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.

f. 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.

g. 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.

h. Comparative figures

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

Notes to the Financial Statements for the Year Ended 30 June 2016 (cont'd)

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

i. 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.

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. 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 2016 (cont'd)

I. 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 2016.

Key Judgements - Doubtful Debts Provision

The Committee of Management have assessed each debtor and have estimated a provision for doubtful debts amounting to nil (2015: nil). The Committee of Management believes that the full amount of the remaining debtors are recoverable.

Notes to the Financial Statements for the Year Ended 30 June 2016 (cont'd)

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

m. New Accounting Standards for Application in Future Periods

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact of such pronouncements on the Group 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 Branch 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 anticipate that the adoption of AASB 9 may have an impact on the Branch'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 beginning on or after 1 January 2018, as deferred by AASB 2015-8: *Amendments to Australian Accounting Standards – Effective Date of AASB 15*).

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 and 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 recognise 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 Committee of Management anticipate that the adoption of AASB 15 may have an impact on the Branch'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 2016 (cont'd)

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

m. New Accounting Standards for Application in Future Periods

- AASB 16: *Lease* (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.

The main changes introduced by the new Standard include:

- 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;
- 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;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- 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 anticipate that the adoption of AASB 16 will impact the Branch'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 2016

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

n. 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 of 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 2016 (cont'd)**

	2016 \$	2015 \$
NOTE 2: REVENUE		
Operating activities:		
Subscriptions	10,800	12,000
Interest	661	827
Sponsorship	-	3,455
Events	3,795	-
Donations / Grants	-	-
Capitation Fees	-	-
Compulsory & Voluntary Levy	-	-
Total Revenue	15,256	16,282
NOTE 3: PROFIT FROM ORDINARY ACTIVITIES		
The operating profit of the Branch before income tax expense has been determined after:		
a. Audit & Accounting Fees		
Auditor's Remuneration – Financial Statement Audit	1,900	1,900
Auditor's Remuneration – Other Services	-	-
Accounting fees	-	930
	1,900	2,830
b. Capitation Fees		
National office capitation fees	5,500	1,688
	5,500	1,688
Capitation fees are paid to the CCF National Office to assist in funding the National Office operations.		
c. Bad and Doubtful Debts		
Bad debts written off	-	600
Provision for doubtful debts	-	-
	-	600
d. Other		
Donations / Grants	-	-
Penalties – RO Act and Regulations	-	-
Consideration to Employers making Payroll Deductions	-	-
Affiliation Fees	-	-
Compulsory Levies	-	-
Other Costs	358	1,121
	358	1,121
e. Conference & Meeting Expenses		
Reimbursement for meeting attendance	1,536	-
Meeting costs	2,950	4,053
	4,486	4,053

Notes to the Financial Statements for the Year Ended 30 June 2016 (cont'd)

NOTE 4: CASH AND CASH EQUIVALENTS

	2016 \$	2015 \$
Current		
Cash at bank	65,758	61,518
	<u>65,758</u>	<u>61,518</u>

The weighted average interest rate for cash as at 30 June 2016 is 1.00% (2015: 2.75%)

NOTE 5: TRADE AND OTHER RECEIVABLES

a. Current

Trade debtors	12,540	1,320
Other	-	305
	<u>12,540</u>	<u>1,625</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 9.

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 (2015: \$nil).

NOTE 6: FINANCIAL ASSETS

a. Non-Current

Shares in unlisted company – at Committee Valuation	12,500	12,500
---	--------	--------

b. Terms and Conditions

The Branch holds 625 shares in Beaconsfield Press Pty Limited. The shares of the Branch are valued based on the consideration of the transfer of shares to Civil Contractors Branch (ACT Branch) in August 2000. The Branch Board continues to believe that this valuation is the most appropriate to value these shares.

NOTE 7: TRADE AND OTHER PAYABLES

a. Current

Creditors and accruals	1,700	1,700
GST Payable	960	672
Income in Advance	12,000	-
	<u>14,660</u>	<u>2,372</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.

At reporting date, there were \$nil payable (2015) - \$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 2016 (cont'd)**

NOTE 8: EMPLOYEE PROVISIONS

	2016 \$	2015 \$
Number of employees at year-end	-	-

Employee Provisions are payable as follows:-

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	2016 \$	2015 \$	2016 \$	2015 \$	2016 \$	2015 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	-	-	-	-	-
Total	-	-	-	-	-	-

There are nil provisions for separation and redundancy or other provisions for officeholders or other employees (2015: \$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	
	2016 \$	2015 \$	2016 \$	2015 \$	2016 \$	2015 \$
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 2016 (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 a 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 2016, the effect on profit and equity as a result of changes in interest rates, with all other variables remaining constant would be as follows:

	2016 \$	2015 \$
Change in profit/(loss)		
Increase in interest rate by 1%	658	615
Decrease in interest rate by 1%	(658)	(615)
Change in equity		
Increase in interest rate by 1%	658	615
Decrease in interest rate by 1%	(658)	(615)

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 2016 (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 \$
30 June 2016							
Assets:							
Cash	1.00	65,758	-	-	-	-	65,758
Trade and Sundry Debtors		-	-	-	-	-	-
		65,758	-	-	-	12,540	12,540
						12,540	78,298
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	-	-
		-	-	-	-	14,660	14,060
		-	-	-	-	14,660	14,060
Net financial assets		65,758	-	-	-	(2,120)	63,638
30 June 2015							
Assets:							
Cash	2.75	61,518	-	-	-	-	61,518
Trade and Sundry Debtors		-	-	-	-	-	-
		61,518	-	-	-	1,625	1,625
						1,625	63,143
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	-	-
		-	-	-	-	2,372	2,372
		-	-	-	-	2,372	2,372
Net financial assets		61,518	-	-	-	(747)	60,771

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 2016 (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:

Andrew Crompton, Nigel Forde, Martin Boyd, Nick Zardo, John Hite and Kylie Mckay.

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 (2015: \$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

Kirk Coningham (Chief Executive Officer)

c. Key Management Personnel Remuneration	2016 \$			2015 \$		
	Short Term Benefits \$	Post Employment Benefits \$	Total \$	Short Term Benefits \$	Post Employment Benefits \$	Total \$
Total Compensation	-	-	-	-	-	-

d. Annual Leave and Long Service Leave Accrued for Key Management Personnel at end of Year	2016 \$			2015 \$		
	Annual Leave \$	Long Service Leave \$	Total \$	Annual Leave \$	Long Service Leave \$	Total \$
Total Leave Provision	-	-	-	-	-	-

No termination benefits or share based payments were received by key management this year (2015: \$nil).

Notes to the Financial Statements for the Year Ended 30 June 2016 (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.

Levy Payment	2016	2015
During the year, the ACT Branch paid to the National Office	\$	\$
a per capita payment calculated in accordance with the rules.	5,500	1,688

f. Related Party balances at year end

Amounts receivable/(payable) at reporting date	2016	2015
- Federal office and other branches	\$	\$
National Office	-	-
Queensland Branch	-	-
Victoria Branch	-	-
	<hr/>	<hr/>
	-	-
Balance Reconciliation- related entities		
National Office		
Carrying amount at beginning of the year	-	-
Levy and other charges	(5,500)	(1,688)
Sundry charges	(3,616)	(169)
Sundry income	-	-
Receipts	-	-
Payment made	9,116	1,857
Carrying amount at end of the year	<hr/>	<hr/>
	-	-
Queensland Branch		
Carrying amount at beginning of the year	-	-
Sundry charges	-	(711)
Sundry income	-	-
Receipts	-	-
Payment made	-	711
Carrying amount at end of the year	<hr/>	<hr/>
	-	-
Victoria Branch		
Carrying amount at beginning of the year	-	-
Sundry charges	-	(1,023)
Sundry income	-	-
Receipts	-	-
Payment made	-	1,023
Carrying amount at end of the year	<hr/>	<hr/>
	-	-

**Notes to the Financial Statements
for the Year Ended 30 June 2016 (cont'd)**

NOTE 12: CASH FLOW INFORMATION

	2016 \$	2015 \$
a. Reconciliation of Cash		
Cash at bank and call deposits	65,758	61,518
	65,758	61,518
b. Reconciliation of profit from ordinary activities after income tax to net cash provided by operating activities		
Operating profit / (loss) after income tax	2,867	5,869
Changes in assets and liabilities		
(Increase) / Decrease in receivables	(10,915)	(35)
(Decrease) / Increase in payables and other creditors	12,288	(2,583)
Net cash provided by operating activities	4,240	3,251

NOTE 13: OPERATING COMMITMENTS

Operating Lease Commitments

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

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

	-	-
	-	-
	-	-
	-	-

NOTE 14: 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.

Notes to the Financial Statements for the Year Ended 30 June 2016 (cont'd)

NOTE 14: FAIR VALUE MEASUREMENT (cont'd)

a. Fair Value Hierarchy (cont'd)

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.

	Note	30 June 2016			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:		-	12,500	-	12,500
Total financial assets recognised at fair value		-	12,500	-	12,500
<i>Non-financial assets</i>					
Freehold land & buildings		-	-	-	-
Total non-financial assets recognised at fair value		-	-	-	-

**Notes to the Financial Statements
for the Year Ended 30 June 2016 (cont'd)**

NOTE 14: FAIR VALUE MEASUREMENT (cont'd)

a. Fair Value Hierarchy (cont'd)

	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:		-	12,500	-	12,500
Total financial assets recognised at fair value		-	12,500	-	12,500
<i>Non-financial assets</i>					
Freehold land & buildings		-	-	-	-
Total non-financial assets recognised at fair value		-	-	-	-

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

Description	Fair Value at 30 June 2016 & 30 June 2015 \$	Valuation Technique(s)	Inputs Used
Available-for-sale financial assets:	12,500	Market approach using recent observable market data or discounted cashflows	Price per share, market borrowing rate
	12,500	-	-

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:

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
<i>Liabilities</i>			
Accounts payable and other payables	3	Income approach using discounted cash flow methodology	Market interest rates for similar assets

Notes to the Financial Statements for the Year Ended 30 June 2016 (cont'd)

NOTE 15: 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 Branch, the results of those operations or the state of affairs of the Branch in future financial years.

NOTE 16: CONTINGENT LIABILITIES

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

NOTE 17: ECONOMIC DEPENDENCY

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

NOTE 18: 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.

No legal fees are payable at year end, nor employer deductions for membership subscriptions (2015: \$nil)

NOTE 19: 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 BRANCH (ACT BRANCH)**

To the Members of Civil Contractors Branch – ACT Branch

Scope

The financial report and Committee of management responsibility

The financial report comprises the Committee of Management Statement, Statement of Profit and Loss, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement, and accompanying notes to the financial statements for the Civil Contractors Branch (ACT Branch) for the year ended 30 June 2016 set out on pages 4 to 29.

The ACT Board of the Branch 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 ACT Branch. 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 Branch's financial position, and of its performance as represented by the results of its operations and cash flows.

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CIVIL CONTRACTORS BRANCH (ACT BRANCH)
(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 2016, 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 20 day of October 2016



15 July 2016

Mr Andrew Crompton
President
Civil Contractors Federation-Australian Capital Territory Branch
By email: ccfact@ccfact.com

Dear Mr Crompton,

**Re: Lodgement of Financial Report - [FR2016/292]
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the Civil Contractors Federation-Australian Capital Territory Branch (the reporting unit) ended on 30 June 2016.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date under s.268 of the RO Act, that being within 14 days after the meeting referred to in s.266 of the RO Act.

Timelines

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets, guidance notes and model statements

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. This includes a model set of financial statements which have been developed by the FWC. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. The model statement, Reporting Guidelines and other resources can be accessed through our website under [Financial Reporting](#) in the Compliance and Governance section.

Loans, grants and donations: our focus this year

Also you are reminded of the obligation to prepare and lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 requires this statement to be lodged with the FWC within 90 days of the end of the reporting unit's financial year, that is on or before 28 September 2016. A sample statement of loans, grants or donations is available at [sample documents](#).

Over the past year we have noted issues in organisations' financial reports relating to timelines and how loans, grants and donations are reported. We will be focusing closely on these areas this year. Please find attached below fact sheets relating to these requirements or alternatively visit our website for information regarding [financial reporting timelines](#) and [loans, grants and donations](#).

It is requested that the financial report and any Statement of Loans, Grant or Donations be lodged electronically by emailing orgs@fwc.gov.au.

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Telephone : (03) 8661 7777
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au

Civil penalties may apply

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

Contact

Should you wish to seek any clarification in relation to the above, email orgs@fwc.gov.au.

Yours sincerely,

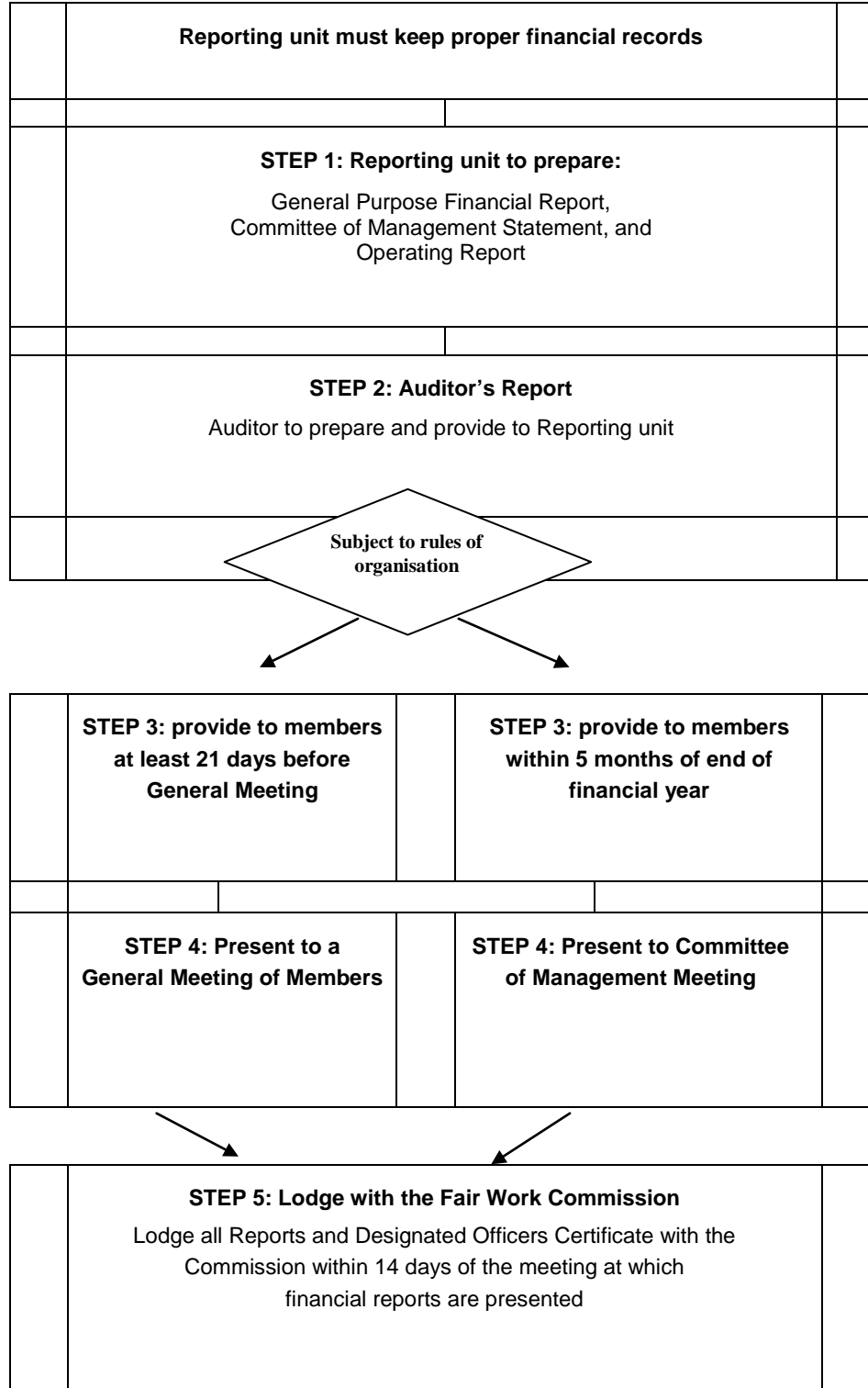


Anastasia Kyriakidis
Adviser
Regulatory Compliance Branch

Financial reporting timelines

Financial reports are to be lodged with the Fair Work Commission (the Commission) within 14 days of the meeting at which the financial reports have been presented, by completing the steps as outlined below.

See Fact sheet—Financial reporting for an explanation of each of these steps.



Fact Sheet - Loans, Grants & Donations

The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the General Manager's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.

The Loans, Grants & Donations Statement

Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceed \$1000. The following information must be supplied to the Commission for each relevant loan, grant or donation:







- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,* and
- the arrangements for repaying the loan.*

*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the Commission has a [Template Loans, Grants and Donations Statement](#) on its website. The Commission encourages branches and organisations to lodge the statement even if all of the figures are NIL.

Common misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.
 Statements can be lodged with the financial report.	 The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.

Grants & Donations within the Financial Report

Item 16(e) of the [General Manager's Reporting Guidelines](#) requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines.

In the [Commission's Model Statements](#) the note appears as follows:

Note 4E: Grants or donations*

Grants:	2016	2015
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-

Item 17 of the General Manager's Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

Implications for filing the Financial Report

During their review of the 2016 financial report staff of the Commission will confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their 2015 financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the [Commission's website](#).

Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the Regulatory Compliance Branch on orgs@fwc.gov.au