



Australian Government

Australian Industrial Registry

Level 5, 11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7822
Fax: (03) 9655 0410
Email: margaret.williams@airc.gov.au

Mr D Elliott
Chief Executive Officer
Civil Contractors Federation
New South Wales Branch
30 Oramzi Road
GIRRAWEE NSW 2145

Email: ccfnsw@civilcontractors.com

Dear Mr Elliott

**Re: Schedule 1 to the Workplace Relations Act 1996 (Schedule 1)
Financial report for year ended 30 June 2008 - FR 2008/378**

Reference is made to the financial report of the New South Wales Branch of the Civil Contractors Federation for the year ended 30 June 2008. The documents were lodged in the Industrial Registry on 9 October 2008.

The financial documents have been filed.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7822 or by email at margaret.williams@airc.gov.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Margaret Williams'.

Margaret Williams
Statutory Services Branch

27 October 2008

**CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)**

ABN 55 645 813 882

FINANCIAL REPORT

**FOR THE YEAR ENDED
30 JUNE 2008**

Contents	Page No
Operating Report	1 - 4
Certificate of the Chief Executive Officer (NSW)	5
NSW Branch Board Statement	6
Income Statement	7
Balance Sheet	8
Statement of Changes in Member's Fund	9
Cash Flow Statement	10
Notes to the Financial Statements	11 - 22
Auditors Report	23 - 24

**CIVIL CONTRACTORS FEDERATION
NSW BRANCH
ABN: 55 645 813 882
OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2008**

Principal activities s254(2)(a)

The principal activities of the Branch during the financial year were:

The Federation operates predominantly in one business and geographical segment, being a representative body of civil construction contractors in New South Wales, 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 Federation throughout New South Wales. The Federation represents its members at all levels of Government and lobbies for concessions relating to civil construction and business trade.

Results of principal activities s254(2)(a)

The Branch's principal activities resulted in:

Advocacy and member services in industrial relations services has again been a focus given the proposed 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.

Membership communications through the redesigned NSW Bulletin and e-bulletins, member forums, functions, conferences and publications sales has been significant throughout the year. Member forums regionally throughout NSW continue to expand leading to increased membership. We are also expanding our publications with the development of the NSW Hire Manual.

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

Advocacy to both state and federal governments and government agencies has also been an area of high performance in representing the views of members in the industry.

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 holds a dedicated position as a superannuation trustee under s254(2)(d) of the RAO Schedule.

Number of Members RAO reg 159(a)

The number of persons who, at the end of the financial year, were recorded on the Register of members was: 422 full members and 120 Associate members.

**CIVIL CONTRACTORS FEDERATION
NSW BRANCH
ABN: 55 645 813 882**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2008**

Number of Employees RAO reg 159(b)

The number of persons who were, at the end of the financial year, employees of the NSW Branch of the Federation was: 15 (includes one job share) measured on a full-time equivalent basis.

NSW Branch Board Members RAO reg 159(c)

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

Glenn Cherrie –

Branch President (01/07/07 – 20/09/07)

Board Member (21/09/07 – 30/06/08)

- *Chair of Beaconsfield Press*
- *Member of Government, Public Affairs & Publications Committee**
- *Member of OH&S & Contractor Management Systems Committee**

Joseph Cato –

Branch Vice-President (01/07/07 – 20/09/07)

Branch President (21/09/07 – 30/06/08)

- *Chair of Executive, Finance & Member Services Committee*
- *Member of Land Development & Infrastructure Committee*
- *Member of Workplace Relations Committee**
- *Member of Training Committee**

Terry Bowen –

Branch Treasurer (01/07/07 – 30/06/08)

- *Chair of OH&S and Contractor Management Systems Committee*
- *Member of Executive, Finance & Member Services Committee*
- *Member of Training Committee*

Robert Antoun –

Branch Board Member (01/07/07 – 30/06/08)

- *Member of Land Development & Infrastructure Committee*
- *Member of Government, Public Affairs & Publications Committee**
- *Member of Waste & Environmental & Sustainability Committee**

Stuart Ford –

Branch Board Member (01/07/07 – 30/06/08)

- *Chair of Workplace Relations Committee*
- *Member of Demolition & Recycling Committee*
- *Member of OH&S & Contractor Management Systems Committee**

Paul Burton –

Branch Board Member (01/07/07 – 30/06/08)

- *Member of Land Development & Infrastructure Committee*
- *Member of Workplace Relations Committee*

Glenn Fordham –

Committee Member (01/07/07 – 30/06/08)

- *Member of Land Development & Infrastructure Committee*
- *Member of Workplace Relations Committee*
- *Member of Plant Hire & Cartage Committee*

**CIVIL CONTRACTORS FEDERATION
NSW BRANCH
ABN: 55 645 813 882**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2008**

Paul Gleeson –

Branch Board Member (01/07/07 – 30/06/08)

- *Member of Workplace Relations Committee**
- *Member of Waste, Environmental & Sustainability Committee*
- *Member of Land Development & Infrastructure Committee*

Brian Leigh –

Branch Board Member (01/07/07 – 20/09/07)

- *Member of Plant Hire & Cartage Committee**
- *Member of Workplace Relations Committee**

Troy Lilliendal –

Branch Board Member (01/07/07 – 30/06/08)

- *Member of Workplace Relations Committee*
- *Member of Waste, Environment & Sustainability Committee*

John Wade –

Branch Board Member (01/07/07 – 20/09/07)

Branch Vice-President (21/09/07 – 30/06/08)

- *Member of Executive, Finance & Member Services Committee*
- *Member of Government, Public Affairs & Publications Committee*
- *Member of Land Development & Infrastructure Committee*
- *Member of Workplace Relations Committee**

Terry Waterson –

Branch Board Member (01/07/07 – 30/06/08)

- *Member of Land Development & Infrastructure Committee*

Alan Waugh –

Branch Board Member (01/07/07 – 20/09/07)

- *Member of Executive, Finance & Member Services Committee*
- *Chair of Training Committee*

Paul Wise –

Branch Board Member (01/07/07 – 30/06/08)

- *Chair of Government, Public Affairs & Publications Committee*

Mark Schultz –

National Board Member (01/07/07 – 30/06/08)

- *Chair of Plant Hire & Cartage Committee*
- *Member of Workplace Relations Committee**

Robert Dahan –

Board Member (01/07/07 – 30/06/08)

- *Member of Executive, Finance & Member Services Committee*
- *Member of Waste, Environment & Sustainability Committee*
- *Member of Government, Public Affairs & Publications Committee**
- *Member of Workplace Relations Committee**

* Was previously on the committee during the period of 1 July 2007 – 20 September 2007

**CIVIL CONTRACTORS FEDERATION
NSW BRANCH
ABN: 55 645 813 882

OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2008**

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 subrule (1) shall be taken to have been received by the Federation when it was delivered.
- (e) A notice of resignation that has been received by the Federation is not invalid because it was not addressed and delivered in accordance with sub rule (a) of Rule 9.
- (f) A resignation from membership of the Federation is valid even if it is not effected in accordance with this section if the Member is informed in writing by or on behalf of the Federation that the resignation has been accepted.”

Name: John Wade

Title of Office held: NSW President (Acting)



Signature:

Dated in Sydney this Fourth day of September 2008

**CIVIL CONTRACTORS FEDERATION
NSW BRANCH
ABN 55 645 813 882**

CERTIFICATE OF THE CHIEF EXECUTIVE OFFICER (NSW)

I, David Elliott, the Chief Executive Officer of Civil Contractors Federation (NSW Branch) hereby certify that to the best of my knowledge and belief that:

- a. There were 542 persons (2007 – 510) that were members of the organisation as at the end of the financial year ended 30 June 2008.
- b. The full general purpose financial report, referred to in Section 268 of the Schedule 1B Workplace Relations Act 1996 was presented to NSW Branch Board through the Executive, Finance and Member Services Sub-Committee on 4 September 2008.
- c. The financial statements set out on pages 7 to 22 show a true and fair view of the financial affairs of the organisation as at the end of the financial year in accordance with Australian Accounting standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Standards Board.
- d. A record has been kept of all money paid by, or collected from members of the organisation, and all money so paid or collected has been credited to the bank account to which the money is to be credited, in accordance with the rules of the Federation; and
- e. The full general purpose financial report is a copy of those presented to both the NSW Branch Board on 4 September 2008 and a General Meeting of Members on 26 September 2008.



D. Elliott
Chief Executive Officer (NSW)

Dated in Sydney, this Fourth day of September 2008

**CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)**

ABN 55 645 813 882

**NSW BRANCH BOARD STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**

On 4 September 2008, the Board of the Civil Contractors Federation (NSW Branch) passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2008:

The Executive, Finance and Member Services Sub-Committee declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the NSW Branch Board were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with Schedule 1 of the Workplace Relations Act 1996, and the RAO Regulations; and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) No requests were received from any member of the reporting unit or a Registrar for information under section 272 of the RAO Schedule; and
 - (vi) No orders have been made by the Commission under section 273 of the RAO Schedule.

For the NSW Branch Board: John Wade

Title of Office Held: NSW President (Acting)



Dated in Sydney, this Fourth day of September 2008

**CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882**

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**

	Note	2008 \$	2007 \$
Revenues	2	2,437,847	2,161,690
Employee expenses	3f	(976,147)	(898,202)
Depreciation and amortisation	3d	(47,841)	(56,903)
Bad and doubtful debts	3a	(3,097)	(14,261)
Borrowing costs		(12,078)	(6,259)
Rental expenses		(81,603)	(66,058)
Functions, seminars and conference costs		(351,892)	(321,945)
Training costs		(227,544)	(204,658)
Communication costs		(51,476)	(51,098)
Travelling expenses		(155,661)	(121,356)
CCF Bulletin expenses		(61,330)	(61,243)
Administrative expenses		(277,826)	(152,060)
Other expenses from ordinary activities		<u>(122,472)</u>	<u>(113,936)</u>
Surplus from ordinary activities before income tax expense		68,880	93,711
Income tax expense	1a	<u>-</u>	<u>-</u>
Net surplus from ordinary activities after income tax expense attributable to the Federation		<u>68,880</u>	<u>93,711</u>

The accompanying notes form part of the financial statements

**CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882**

**BALANCE SHEET
AS AT 30 JUNE 2008**

	Note	2008 \$	2007 \$
CURRENT ASSETS			
Cash and cash equivalents	4	476,431	510,343
Trade and other receivables	5	213,742	266,175
Other current assets	6	6,283	11,496
TOTAL CURRENT ASSETS		<u>696,456</u>	<u>788,014</u>
NON-CURRENT ASSETS			
Financial assets	7	12,500	12,500
Plant and equipment	8	161,294	113,667
TOTAL NON-CURRENT ASSETS		<u>173,794</u>	<u>126,167</u>
TOTAL ASSETS		<u>870,250</u>	<u>914,181</u>
CURRENT LIABILITIES			
Trade and other payables	9	304,976	280,773
Financial liabilities	10	-	40,167
Short term provisions	11	52,106	71,114
TOTAL CURRENT LIABILITIES		<u>357,082</u>	<u>392,054</u>
NON-CURRENT LIABILITIES			
Trade and other payables	9	3,590	28,370
Financial liabilities	10	-	22,560
Long term provisions	11	5,983	36,482
TOTAL NON-CURRENT LIABILITIES		<u>9,573</u>	<u>87,412</u>
TOTAL LIABILITIES		<u>366,655</u>	<u>479,466</u>
NET ASSETS		<u>503,595</u>	<u>434,715</u>
MEMBERS' FUNDS			
Accumulated Surplus		503,595	434,715
TOTAL MEMBERS' FUNDS		<u>503,595</u>	<u>434,715</u>

The accompanying notes form part of the financial statements

**CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882**

**STATEMENT OF CHANGES IN MEMBERS' FUND
FOR THE YEAR ENDED 30 JUNE 2008**

	Accumulated Surplus \$	Total \$
Balance at 1 July 2006	341,004	341,004
Surplus attributable to members	<u>93,711</u>	<u>93,711</u>
Balance at 30 June 2007	<u>434,715</u>	<u>434,715</u>
Balance as at 1 July 2007	434,715	434,715
Surplus attributable to members	<u>68,880</u>	<u>68,880</u>
Balance at 30 June 2008	<u>503,595</u>	<u>503,595</u>

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**

	Note	2008 \$	2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		2,519,960	2,195,237
Interest received		45,890	29,683
Interest paid		(12,078)	(6,259)
Payments to suppliers and employees		<u>(2,428,591)</u>	<u>(2,101,573)</u>
Net cash provided by operating activities	14b	<u>125,181</u>	<u>117,088</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(132,996)	(41,195)
Proceeds from sale of plant and equipment		<u>83,211</u>	<u>10,000</u>
Net cash used in by investing activities		<u>(49,785)</u>	<u>(31,195)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		<u>(109,308)</u>	<u>(36,354)</u>
Net cash used in financing activities		<u>(109,308)</u>	<u>(36,354)</u>
Net (decrease)/increase in cash held		(33,912)	49,539
Cash at the beginning of the financial year		<u>510,343</u>	<u>460,804</u>
Cash at the end of the financial year	14a	<u>476,431</u>	<u>510,343</u>

The accompanying notes form part of the financial statements

**CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

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 Workplace Relations Act 1996.

The financial report covers Civil Contractors Federation (NSW Branch) as an individual entity. Civil Contractors Federation (NSW Branch) as a Federation Incorporated in New South Wales under the Workplace Relations Act 1996.

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

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

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs unless otherwise stated.

Accounting Policies

a. Income Tax

The Federation is registered under the Workplace Relations Act, 1996 and, is considered to be exempt from income tax including capital gains tax, by virtue of the provision of s.50-15 of the Income Tax Assessment Act 1997.

b. Cash and cash equivalents

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

c. Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Committee of Management to ensure it is not in excess of the recoverable amount of those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present value in determining recoverable amounts.

Depreciation

The depreciable amounts of plant and equipment are depreciated using the straight line method at rates based on their estimated useful lives commencing from the time the asset is held ready for use.

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

Office, furniture and equipment	20-33%
Motor vehicles - leased	20%
Motor vehicles - owned	20%

CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c. Plant and Equipment (continued)

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

Office, furniture and equipment	20-33%
Motor vehicles - leased	20%
Motor vehicles - owned	20%

The assets residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

The assets carrying value is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount. These gains and losses are included in the Income Statement.

d. Financial Instruments

Financial instruments are initially measured at cost on trade date, which includes the transaction costs, when the related contractual rights or obligations exist.

Subsequent to the initial recognition, the 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 Income Statement.

e. Employee Benefits

Provision is made for the Federation's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash flows to be made for those benefits.

Contributions are made by the Federation to employee superannuation funds and are charged as expenses when incurred.

f. Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Federation 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 Federation 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 assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Federation will obtain ownership of the asset or ownership over the term of the lease.

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

**CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet 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.

h. Revenue

Revenue for membership subscriptions is recognised proportionately over the period to which it relates.

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

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

i. Comparative figures

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

j. Operating Segment

The Federation is incorporated under the Workplace Relations Act 1996 and domiciled in Australia.

The Federation operates predominantly in one business and geographical segment, being a representative body of civil engineering contractors in New South Wales, providing professional services, information and advice including industrial relations advice, dispute resolution, training (business, occupational health and safety), changes to acts and legislation, changes to award rates of and work practices to members of the Federation throughout New South Wales.

k. 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 Federation.

Key Estimates - Impairment

The Committee of Management assesses impairment on each reporting date by evaluating conditions specific to the Federation 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 2008.

Key Judgments - Doubtful Debts Provision

The Committee of Management have assessed each debtors and have estimated a provision for doubtful debts amounting to \$7,824 (2007: \$7,824). The Committee of Management believes that the full amount of the remaining debtors are recoverable.

CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Information to be provided to Members or the Registrar

In accordance with the requirements of the Workplace Relations Act 1996 (the RAO Schedule) the attention of Members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272 which read as follows.

Section 272 Information to be provided to members or Registrar

(1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for 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).

The financial report was authorised for issue on 4th September 2008.

**CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

	2008 \$	2007 \$
NOTE 2: REVENUE		
Operating activities:		
Membership income	923,066	777,593
National conference	-	2,700
Advertising & sponsorship	58,420	-
Training income	469,557	457,956
Functions	313,974	303,291
Seminars income	120,441	39,035
CCF Bulletin	90,164	90,766
Short courses	109,317	146,166
Daily inspection procedure sales	69,489	56,108
Commission received	1,381	12,890
IMS System	58,252	58,803
Workplace reform	86,905	106,061
Plant assessment	13,729	42,162
(Loss) / Profit on disposal of fixed assets	(898)	3,158
SCIMS packages	10,952	22,165
Investment income	45,890	29,683
Proceeds from windup of Earthmovers and Contractors Association Limited	20,298	-
Other income	46,910	13,153
Total Revenue	2,437,847	2,161,690
NOTE 3: SURPLUS FROM ORDINARY ACTIVITIES		
The operating surplus of the Federation before income tax expense has been determined after:		
a. Bad and Doubtful Debts		
Bad debts written off	3,097	8,857
Provision for doubtful debts	-	5,404
	3,097	14,261
b. Auditors' Remuneration		
Accounting fees	-	3,200
Auditors' remuneration	16,000	13,000
	16,000	16,200
c. Operating Leases		
Leasing charges	12,078	6,259
Photocopier charges	21,308	20,866
Rent	81,603	66,058
Telephone and fax	6,006	3,301
	120,995	96,484
d. Depreciation and Amortisation		
Plant and equipment	17,807	22,764
Leased motor vehicles	30,034	34,139
	47,841	56,903

**CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

	2008 \$	2007 \$
--	------------	------------

NOTE 3: SURPLUS FROM ORDINARY ACTIVITIES (CONTINUED)

e. Compulsory Levy

National office levy	78,296	76,094
----------------------	--------	--------

The levy is imposed by the CCF National Office to assist in funding the National Office operations.

f. Employee related expenses

Salaries	816,743	788,671
Superannuation	76,479	68,261
Employee benefits	20,806	10,991
Payroll tax	53,977	15,054
Training and recruitment	8,142	15,224
	<u>976,147</u>	<u>898,202</u>

NOTE 4: CASH ASSETS

Current

Cash on hand	250	250
Cash at bank	116,166	124,734
Short-term bank deposits	360,015	385,359
	<u>476,431</u>	<u>510,343</u>

The weighted average interest rate for cash as at 30 June 2008 is 6.94% (2007: 6.18%).

NOTE 5: RECEIVABLES

a. Current

Trade debtors - related parties	56,495	70,829
- others	146,074	196,656
	<u>202,569</u>	<u>267,487</u>
Less: Provision for doubtful debts	(7,824)	(7,824)
	<u>194,745</u>	<u>259,663</u>
 Sundry debtors	 <u>18,997</u>	 <u>6,512</u>
	<u>213,742</u>	<u>266,175</u>

b. Terms and Conditions

Trade debtors relate to services provided, they are non-interest bearing and are unsecured. Trade debtors relating to training and carry terms of up to 90 days. All other trade debtors carry settlement terms of 30 days.

Details of the trade debtors owing from the related party are outlined at Note 13f.

Sundry 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.

NOTE 6: OTHER ASSETS

Current

Prepayments	6,283	11,496
-------------	-------	--------

**CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

	2008 \$	2007 \$
NOTE 7: OTHER FINANCIAL ASSETS		
a. Non-Current		
Shares in unlisted company - at Committee of Management valuation	12,500	12,500
b. Terms and Conditions		
The Federation holds 625 shares in Beaconsfield Press Pty Limited. The shares of the Company are valued based on the consideration of the transfer of shares to Civil Contractors Federation (ACT Branch) in August 2000. The Committee of Management continues to believe that this valuation is the most appropriate to value these shares.		
NOTE 8: PLANT AND EQUIPMENT		
Motor vehicles - at cost	106,186	24,179
Less: Accumulated depreciation	(11,835)	(1,682)
	<u>94,351</u>	<u>22,497</u>
Office furniture and equipment - at cost	171,963	150,046
Less: Accumulated depreciation	(105,020)	(110,109)
	<u>66,943</u>	<u>39,937</u>
Leased motor vehicles - at cost	-	168,373
Less: Accumulated amortisation	-	(117,140)
	<u>-</u>	<u>51,233</u>
Total plant and equipment - net book value	<u>161,294</u>	<u>113,667</u>
Reconciliation of movements in plant and equipment		
Motor vehicle - at cost		
Carrying amount at beginning of the year	22,497	706
Additions	170,989	23,019
Disposals	(69,102)	-
Depreciation expense	(30,033)	(1,228)
Carrying amount at end of the year	<u>94,351</u>	<u>22,497</u>
Furniture and equipment		
Carrying amount at beginning of the year	39,937	41,367
Additions	54,234	18,176
Disposals	(9,421)	-
Depreciation expense	(17,807)	(19,606)
Carrying amount at end of the year	<u>66,943</u>	<u>39,937</u>
Leased motor vehicles		
Carrying amount at beginning of the year	51,233	94,850
Additions	-	(7,548)
Disposals	(51,233)	-
Amortisation expense	-	(36,069)
Carrying amount at end of the year	<u>-</u>	<u>51,233</u>

**CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

	2008 \$	2007 \$
NOTE 9: TRADE AND OTHER PAYABLES		
a. Current		
Deferred income	62,203	100,274
Creditors and accruals	195,200	138,646
Sundry creditors	47,573	41,853
	<u>304,976</u>	<u>280,773</u>
b. Non Current		
Loan - Earthmovers and Contractors Association Limited	<u>3,590</u>	<u>28,370</u>
c. Terms and Conditions		
Deferred income relates to cash receipts for membership fees, training and advertising revenue received for the year 2007-08.		
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.		
The terms and conditions of the loan to Earthmovers and Contractors Association Limited are outlined at Note 13e.		
NOTE 10: FINANCIAL LIABILITIES		
a. Current		
Lease liability	<u>-</u>	<u>40,167</u>
b. Non Current		
Lease liability	<u>-</u>	<u>22,560</u>
NOTE 11: PROVISIONS		
a. Current		
Provision for annual leave	<u>52,106</u>	<u>71,114</u>
b. Non-Current		
Provision for long service leave	<u>5,983</u>	<u>36,482</u>
c. Aggregate employee entitlement liability	<u>58,089</u>	<u>107,596</u>
d. Number of employees at year-end	<u>15</u>	<u>12</u>

**CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 12: FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

The Federation's financial instruments consist mainly of deposits with banks, short term investments, accounts receivable / payable, and investments in a unlisted companies.

The Federation does not have any derivative instruments at 30 June 2008.

i. Terms, Conditions and Accounting Policies

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

ii. Treasury Risk Management

The Branch Board 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 Federation is exposed to through its financial instruments are interest rate risk, liquidity and credit risk.

Liquidity Risk

The Federation manages liquidity risk by monitoring its credit terms on trade debtors

Interest rate risk

The Federation 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 2008, the effect on profit and equity as a result of the changes in interest rate, with all other variables remaining constant would be as follows:

	2008	2007
	\$	\$
Change in profit		
Increase in interest rate by 2%	9,529	10,207
Decrease in interest rate by 2%	(9,529)	(10,207)
Change in equity		
Increase in interest rate by 2%	9,529	10,207
Decrease in interest rate by 2%	(9,529)	(10,207)

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

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

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 Balance Sheet and notes to the financial report.

The Federation is not materially exposed to any individual credit risk, other than the CCF National Office and the NSW Department of Education and Training, refer to Note 13f and Note 19 respectively.

iv. Net Fair Values

The aggregate net fair values and carrying amount of financial assets and financial liabilities are disclosed in the Balance Sheet and in the notes to the financial statements.

**CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 13: RELATED PARTIES

a. NSW Branch Board members

The names of the members of the NSW Branch Board who held office during the year are as follows:

Glenn Cherrie, Joseph Cato, Terry Bowen, Robert Antoun, Stuart Ford, Paul Burton, Glenn Fordham, Paul Gleeson, Brian Leigh, John Wade, Paul Wise, Alan Waugh, Robert Dahan, Mark Schultz, Terry Waterson, and Troy Lilliendal.

No members of the Committee of Management received or were entitled to receive any remuneration.

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

David Elliott - Chief Executive Officer
 Craig Long - Former Chief Executive Director
 Martin Wright - Business Manager
 Leslie Simmons - Manager Member Services
 Brian Duggan - Manager Workplace Relations (appointed 22/10/07)
 John Higgins - Manager Employment Relations (Deceased)

	2008			2007		
	\$			\$		
c. Key Management Personnel Remuneration						
	Salaries	Super- annuation	Total	Salaries	Super- annuation	Total
	\$	\$	\$	\$	\$	\$
Total Compensation	430,517	38,747	469,263	367,404	33,066	400,470

d. Other transactions with the Federation

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

e. Earthmovers and Contractors Association Limited

Earthmovers and Contractors Association Limited is an unlisted not-for-profit public company, limited by guarantee.

At balance date, the loan owing to the Earthmovers and Contractors Association Limited was \$3,590 (2007: \$28,370) by the Federation. No interest was charged to the Federation by Earthmovers and Contractor Association Limited. No interest was paid or payable during the financial year.

Earthmovers and Contractors Association Limited is currently in the process of being deregistered.

f. Civil Contractors National Office

At the end of financial year an amount of \$56,495 (2007: \$70,829 per Note 5(a)) was receivable from the CCF National office. Further, an amount of \$78,299 (2007: \$76,094) was paid to the National Office for the National office levy charged on the revenue of the Federation.

CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	2008 \$	2007 \$
NOTE 14: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash on hand	250	250
Cash at bank	116,166	124,734
Call deposit	360,015	385,359
	<u>476,431</u>	<u>510,343</u>
b. Reconciliation of surplus from ordinary activities after income tax to net cash provided by operating activities		
Operating surplus after income tax	68,880	93,711
Add/(Less) items classified as investing/financing activities		
- Profit on disposal of non-current assets	898	(3,158)
Non-cash flows in surplus/(deficit) from ordinary activities		
- Depreciation and amortisation	47,841	56,903
- Bad and doubtful debts	-	14,261
Changes in assets and liabilities		
Decrease/(Increase) in receivables	52,433	(123,030)
Decrease in other assets	5,213	3,517
(Decrease)/increase in deferred income	(38,071)	42,028
Increase in payables	37,494	21,865
(Decrease)/increase in provisions	(49,507)	10,991
Net cash provided by operating activities	<u>125,181</u>	<u>117,088</u>
c. Credit Facility		
The Federation has a credit facility of \$50,000, through a business card facility. The facility is required to be clear at the end of each month. At 30 June 2008, the available facility wads \$50,000.		
NOTE 15: CAPITAL COMMITMENTS		
Finance Leases		
Finance lease commitments payable:		
- not later than one year	-	42,559
- later than one year but not later than five years	-	22,560
Less: Future finance charges	-	(2,392)
Finance lease liabilities provided for	<u>-</u>	<u>62,727</u>
Represented by:		
Current finance lease liability	-	40,167
Non-current finance lease liability	-	22,560
Total lease liability	<u>-</u>	<u>62,727</u>

**CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

	2008 \$	2007 \$
NOTE 16: OPERATING COMMITMENTS		
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
- not later than 12 months	122,598	42,559
- between 12 months and five years	613,750	
- greater than five years	-	-
	<u>736,348</u>	<u>42,559</u>

a. Office

An operating lease agreement was signed in June 2008 for a period commencing from June 2008 to May 2013 with Norwest Commercial and Industrial Real Estate Pty Limited for the use of these premises situated at 2.07/25 Solent Circuit, Baulkham Hills. The annual rent payable under the lease is \$134,108. The Federation has offered a bank guarantee of \$36,600 for remediation and restoration, being for the return of the site to its original condition if required.

b. Training Centre

An operating lease agreement has been signed for a rent free period commencing from January 2007 to July 2008 (18 months) with Penrith Lakes Development Corporation Limited. The Federation has offered a bank guarantee of \$20,000 as security deposit. The Federation is in the process of negotiating a new lease.

NOTE 17: 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 Federation, the results of those operations or the state of affairs of the Federation in future financial years.

NOTE 18: CONTINGENT LIABILITIES

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

NOTE 19: ECONOMIC DEPENDENCY

The Federation is economically dependent on ongoing funding in the form of existing worker training from contractors and new entrant training income from the NSW Department of Education and Training.

NOTE 20: FEDERATION DETAILS

The registered office and the principal place of business of the Federation is:
Civil Contractors Federation (NSW Branch)
25 Solent Circuit
Norwest Business Park
Baulkham Hills NSW 2153

PARTNERS

Howard Badger CA
Andrew Blackwell CA
Chris Chandran CA
Michael Daniels CA
Martin Fowler CA
Stephen Humphrys FCA
Garry Leyshon FCA
Alan Mortel CA
Wayne Morton FCA
Joe Shannon CA
Robert Southwell CA
Spiro Tzannes FCA
Charlie Viola (Affiliate ICAA)
Scott Whiddett CA

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

Report on the Financial Report

We have audited the accompanying financial report of Civil Contractors Federation (NSW Branch) ("the Federation") which comprises the balance sheet as at 30 June 2008 and the income statement, statement of changes in members fund and the cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the NSW Branch Board.

Board's Responsibility for the Financial Report

The NSW Branch Board of the Federation is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and Schedule 1 of the *Workplace Relations Act 1996*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud and error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's opinion

In our opinion the general purpose financial report of Civil Contractors Federation (NSW Branch) presents fairly in accordance with the Schedule 1 of the *Workplace Relations Act 1996* the Federation's financial position as at 30 June 2008 and of its performance for the year ended on that date and complies with Australian Accounting Standards (including the Australian Accounting Interpretations).



MOORE STEPHENS SYDNEY
Chartered Accountants



C. CHANDRAN CA
Partner
Auditor Registration no. 303010

Dated in Sydney this 4th day of September 2008.