



FAIR WORK
AUSTRALIA

9 December 2010

Mr. David Elliott
Chief Executive Officer
Civil Contractors Federation
New South Wales Branch

Email: ccfnsw@civilcontractors.com

Dear Mr Elliott,

Financial report of the Civil Contractors Federation - New South Wales Branch for the year ended 30 June 2010 (FR2010/2618)

Thank you for forwarding an amended designated officers certificate in relation to the financial report of the New South Wales Branch of the Civil Contractors Federation for the year ended 30 June 2010; this has been placed with the documents previously lodged

The financial report has now been filed.

Yours sincerely,

Larry Powell
Tribunal Services and Organisations



CIVIL CONTRACTORS FEDERATION
Constructing Australia's Infrastructure™

ABN 55 645 813 882

CCF New South Wales
Norwest Business Park
Unit 2.07, 25 Solent Circuit
Baulkham Hills

Postal Address:
PO Box 7252
Baulkham Hills BC NSW 2153

T (02) 9009 4000
F (02) 9009 4050

W: www.civilcontractors.com
E: ccfnsw@civilcontractors.com

1 December 2010

Mr Larry Powell
Tribunal Services and Organisations
Fair Work Australia
GPO Box 1994
MELBOURNE VIC 3001



Dear Mr Powell,

Reference is made to your letter of 8 November 2010 regarding the financial report of the Civil Contractors Federation – New South Wales Branch for the year ended 30 June 2010 (FR2010/2618).

Item 1

The Civil Contractors Federation (NSW) can confirm that the financial documents previously lodged with Fair Work Australia are a copy of the documents presented to members on 18 August 2010 and subsequently presented to the General Meeting of Members on 8 September 2010.

Item 2

Please find attached a Designated Officers Certificate appropriately signed.

Item 3

In future years, our cash flow statement shall separately disclose cash flows between our branch and all other CCF branches.

Item 4

Noted and will be addressed next year.

Item 5

Noted and will be modified next year.

Item 6

Noted. The Federation will ensure the new legislation is reflected 2010/2011 return.

I trust that this matter addresses your concerns. If you have any further questions or comments please do not hesitate to contact me.

Yours sincerely,

John Wade
PRESIDENT

Certificate of Designated Officer

s268 of Fair Work (Registered Organisations) Act 2009

I John Wade being the President of the Civil Contractors Federation New South Wales Branch certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RO Act; and
- that the full report was provided to members on 18th August 2010 and
- that the full report was presented to a general meeting of members of the reporting unit on 8th September 2010; in accordance with section 266 of the RO Act.

Signature:

A handwritten signature in black ink that reads "John Wade". The signature is written in a cursive style with a horizontal line underlining the first part of the name.

Date: 1 December 2010



FAIR WORK
AUSTRALIA

8 November 2010

Mr. David Elliott
Chief Executive Officer
Civil Contractors Federation
New South Wales Branch

Email: ccfnsw@civilcontractors.com

Dear Mr Elliott

Financial report of the Civil Contractors Federation - New South Wales Branch for the year ended 30 June 2010 (FR2010/2618)

Thank you for lodging the financial report of the New South Wales Branch of the Civil Contractors Federation for the year ended 30 June 2010. The documents were lodged in this office on 27 September 2010.

I direct your attention to the following comments concerning the above financial report and the financial reporting obligations under Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule) [now Fair Work (Registered Organisations) Act 2009] (the RO Act). Please note that the financial reports will not be filed until the requested action in relation to items 1 and 2 have been completed and lodged in this office.

1. Financial Report

A reporting unit is required by sections 265 and 266 of the RO Act to supply to its members and present to a relevant meeting a copy of the auditor's report, general purpose financial report and operating report (the full report).

I note that the full report was lodged under your certificate "Certificate of The Chief Executive Officer (NSW)" dated 18 August 2010 stating that the full general purpose financial report was presented to the NSW Branch Board on 18 August 2010 and which will be presented to a general meeting of members on 8 September 2010. No mention is made of the full report being supplied to members.

It would appear that the "full report" has not been provided to members in accordance with section 265.

Under these circumstances, this office cannot file the financial report. Moreover, I advise that the full report will be required to be supplied to members of the branch, then presented to a relevant meeting and then lodged in this office accompanied by a further designated officer's certificate attesting to such.

2. Designated Officer's Certificate

A designated officer's certificate should indicate that the documents lodged are copies of the full report provided to members and presented to a meeting in accordance with section 266 of the RO Act.

Most of the information contained in the “Certificate of The Chief Executive Officer (NSW)” is not required.

It should also be noted that the designated officer’s certificate should only attest to events that have occurred, not events that will occur.

The designated officer’s certificate required by the RO Act must be signed and dated by a ‘designated officer’ – see section 243 of the RO Act. In order to be a designated officer under section 243, a person will need to be a ‘holding an ‘office’ as defined in section 9 of the RO Act. The position of Branch Chief Executive Officer does not appear to meet those requirements.

A fresh designated officer’s certificate should be prepared after the events as mentioned in item 1 have occurred and be signed by an officer of the branch attesting to the events.

3. Cash Flow information

[Reporting Guideline](#) 15 of the Financial Reporting Guidelines states that ‘where another reporting unit of the organisation is the source of cash inflow or the application of a cash outflow, such cash flow should be separately disclosed in the notes to the financial statements and show the name of the other reporting unit concerned’.

The notes to the financial statements of the national office of the Civil Contractors Federation state that \$94,143 was received from the New South Wales branch. Cash flows from branches to the national office are noted as including branch contributions, insurance contributions, CEO meeting reimbursements and CCF online reimbursements.

Although the branch’s profit and loss statement discloses an expense item of \$81,570 to the national office of the CCF, the notes do not appear to disclose all cash flows to or from the national office. In future years please ensure that all cash flows between the branch and the national office and, if applicable, between the branch and other branches of the CCF are disclosed in the notes to the financial statements.

4. Operating Report

Results of principal activities

I refer to the operating report, in particular to the “Results of principal activities”. I note that section 254(2)(a) of the RO Act requires the operating report to include a review of the principal activities of the reporting entity, the results of those activities and any significant changes in the nature of those activities.

The “Results of principal activities” requirement contemplates reference in the operating report to results directly related to the principal activities as opposed to the reporting entities financial result, particularly as measured in dollar ‘surplus’ or ‘loss’ terms. Although this may not be stated explicitly in the text of the subsection, I think it is reasonable to infer this is what the legislators had in mind given that the subsection is referring primarily to the principal activities and secondly, the actual financial outcome is elaborated elsewhere in the financial documents, such as the Balance Sheet and/or the Profit and Loss statement.

5. Entity

Note 1 of the Notes to the Financial Statements states”

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

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

It should be noted that although a branch of a registered organisation can be a reporting unit under the RO Act (section 242) it does not have a discrete legal personality; it is a creation of the rules of the organisation only.

6. Notice to members

I note that the notice to members has not fully set out the provisions of subsections 272(1), (2) and (3) of the RO Act. A notice to members should fully set out those provisions.

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 7993 or by email at larry.powell@fwa.gov.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L Powell'.

Larry Powell
Tribunal Services and Organisations

**CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)
ABN 55 645 813 882
Financial Report
for the Year Ended
30 June 2010**

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**Operating Report
for the Year Ended 30 June 2010**

Principal Activities s254(2)9a)

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 a loss of \$72,931 (2009 loss \$20,131)

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 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 Fair Work (Registered Organisations) Act 2009.

Number of Members reg 159(a)

The number of persons who, at the end of the financial year, were recorded on the Register of members was: 415 full members and 102 associate members.

Operating Report for the Year Ended 30 June 2010

Number of Employees *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 11.

NSW Branch Board Members *reg 159(c)*

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

John Wade –

Vice President (01/07/09 - 10/09/09)

Branch President (11/09/09 - 30/06/10)

- *Chair of Executive, Finance & Member Services Committee*
- *Member of Government, Public Affairs & Publications Committee*
- *Member of Land Development & infrastructure Committee*

Mick Boyle –

Branch Vice-President (01/07/09 - 30/06/10)

- *Member of Executive, Finance & Member Services Committee*
- *Member of Government, Public Affairs & Publications Committee*

Glenn Cherrie – (Life Member)

Board Member (01/07/09 - 30/06/10)

- *Chair of Beaconsfield Press*

Terry Bowen –

Branch Treasurer (01/07/09 - 30/06/10)

- *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 (01/07/09 - 30/06/10)

- *Member of Land Development & Infrastructure Committee*

Stuart Ford –

Branch Board Member (01/07/09 - 30/06/10)

- *Chair of Industrial Relations Committee*
- *Member of Waste, Environment & Sustainability and Demolition and Recycling Combined Committee*

Paul Burton –

Branch Board Member (01/07/09 - 30/06/10)

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

Glenn Fordham –

Committee Member (01/07/09 - 30/06/10)

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

Operating Report for the Year Ended 30 June 2010

Paul Gleeson –

Branch Board Member (01/07/09 - 30/06/10)

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

Troy Lilliendal –

Branch Board Member (01/07/09 - 30/06/10)

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

Terry Waterson –

Branch Board Member (01/07/09 - 30/06/10)

- *Chair of Land Development & Infrastructure Committee*

Paul Wise –

Branch Board Member (01/07/09 - 30/06/10)

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

Allan White –

Branch Board Member (01/07/09 to 10/09/09)

- *Member of Training Committee*

Tom Brady –

Branch Board Member (01/07/09 to 30/06/10)

- *Member of Industrial Relations Committee*

Joe Cato –

Branch President (01/07/09 to 10/09/09)

- *Chair of Executive, Finance and Member Services Committee*
- *Member of Land Development and Infrastructure Committee*

Karl Waeger –

Branch Board Member (11/09/09 to 30/06/10)

- *Member of Government, Public Affairs and Publications Committee*

**Operating Report
for the Year Ended 30 June 2010**

Manner of resignation

Members may resign from the Federation in accordance with Section 174 of the Fair Work (Registered Organisations) Act 2009 and with rule 9 of the Civil Contractors Federation Constitution and Rules, which reads as follows:

"9 - RESIGNATION OF MEMBERS

- (a) A Member may resign from the 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."



John Wade
NSW President

Dated in Sydney this 18th day of August 2010

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 517 members of the organisation (2009 - 560) as at the end of the financial year ended 30 June 2010.
- b. The full general purpose financial report, referred to in Section 268 of the Schedule 1B Fair Work (Registered Organisations) Act 2009 was presented to NSW Branch Board through the Executive, Finance and Member Services Sub-Committee on 18th August 2010.
- c. The financial statements set out on pages 8 to 26 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 that presented to the NSW Branch Board on 18th August 2010 and which will be presented to a General Meeting of Members on 8th September 2010.



David Elliott
Chief Executive Officer (NSW)

Dated in Sydney, this 18th day of August 2010

**NSW Branch Board Statement
for the Year Ended 30 June 2010**

On, 18th August 2010 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 2010:

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 General Manager of FWA;
- (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 Fair Work (Registered Organisations) Act 2009, and the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) No requests were received from any member of the reporting unit or a General Manager of FWA for information under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - (vi) No orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.

For the NSW Branch Board:



John Wade
NSW President

Dated in Sydney, this 18th day of August 2010



STANNARDS

Accountants and Advisors

Partners
Marino Angelini, CA
Michael Shulman, CA
Nello Traficante, CPA
Jason Wall, CA

Associates
Nicole Postan, CA

AUDITOR'S INDEPENDENCE DECLARATION TO THE BOARD OF THE CIVIL CONTRACTORS FEDERATION – NSW BRANCH

We declare that, to the best of our knowledge and belief, during the year ended 30 June, 2010 there have been:–

- (i) no contraventions of the auditor independence requirements in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Stannards, Accountants & Advisors
1/60 Toorak Road, South Yarra VIC 3141

Michael Shulman
Partner (Registered Company Auditor: 163888)
Holder of Current Public Practice Certificate

Dated 18 August 2010



CIVIL CONTRACTORS FEDERATION (NSW BRANCH)**Income Statement
for the Year Ended 30 June 2010**

	Note	2010 \$	2009 \$
Revenues	2	2,178,673	2,328,467
Employee expenses	3f	(1,094,935)	(1,106,512)
Depreciation and amortisation	3d	(44,563)	(45,208)
Bad and doubtful debts	3a	(50,396)	(33,348)
Merchant fees and bank charges		(13,833)	(12,360)
National Levy		(81,570)	(87,388)
Rental expenses		(160,188)	(145,368)
Functions, seminars and conference costs		(251,676)	(412,598)
Training costs		(210,328)	(134,390)
Communication costs		(58,087)	(58,539)
Travelling expenses		(21,339)	(45,819)
CCF Bulletin expenses		(49,212)	(63,678)
Other expenses from ordinary activities		(215,477)	(203,390)
Surplus from ordinary activities before income tax expense		(72,931)	(20,131)
Income tax expense	1a	-	-
Net surplus from ordinary activities after income tax expense attributable to the Federation		(72,931)	(20,131)

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION (NSW BRANCH)

**Statement of Comprehensive Income
for the Year Ended 30 June 2010**

	2010	2009
	\$	\$
Loss for the period	(72,931)	(20,131)
Other Comprehensive Income for the period	-	-
Total comprehensive Income for the period	(72,931)	(20,131)
Total comprehensive Income attributable to members of the organisation	(72,931)	(20,131)

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION (NSW BRANCH)

**Statement of Financial Position
as at 30 June 2010**

	Note	2010 \$	2009 \$
CURRENT ASSETS			
Cash and cash equivalents	4	730,442	490,843
Trade and other receivables	5	61,210	66,057
Other current assets	6	5,139	15,751
TOTAL CURRENT ASSETS		796,791	572,651
NON-CURRENT ASSETS			
Financial assets	7	12,500	12,500
Plant and equipment	8	110,632	131,515
TOTAL NON-CURRENT ASSETS		123,132	144,015
TOTAL ASSETS		919,923	716,666
CURRENT LIABILITIES			
Trade and other payables	9	448,057	171,271
Short term provisions	10	61,333	48,886
TOTAL CURRENT LIABILITIES		509,390	220,157
NON-CURRENT LIABILITIES			
Long term provisions	10	-	13,045
TOTAL NON-CURRENT LIABILITIES		-	13,045
TOTAL LIABILITIES		509,390	233,202
NET ASSETS		410,533	483,464
MEMBERS' FUNDS			
Accumulated Surplus		410,533	483,464
TOTAL MEMBERS' FUNDS		410,533	483,464

The accompanying notes form part of these financial statements

CIVIL CONTRACTORS FEDERATION (NSW BRANCH)

**Statement of Changes in Members' Fund
for the Year Ended 30 June 2010**

	2010	2009
	\$	\$
Balance as at 1 July 2009	483,464	503,595
Surplus attributable to members	(72,931)	(20,131)
Balance at 30 June 2010	410,533	483,464

The accompanying notes form part of these financial statements

CIVIL CONTRACTORS FEDERATION (NSW BRANCH)**Statement of Cash Flow
For the Year ended 30 June 2010**

	Note	2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		2,166,313	2,444,383
Interest received		22,150	31,769
Payments to suppliers and employees		(1,924,477)	(2,446,311)
Net cash provided by operating activities	13b	263,986	29,841
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(32,387)	(15,429)
Proceeds from sale of plant and equipment		8,000	-
Net cash used in by investing activities		(24,387)	(15,429)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		-	-
Net (decrease)/increase in cash held		239,599	14,412
Cash at the beginning of the financial year		490,843	476,431
Cash at the end of the financial year	13a	730,442	490,843

The accompanying notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 30 June 2010**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The financial report of Civil Contractors Federation (NSW Branch) as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) for 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 Fair Work (Registered Organisations) Act 2009 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	20%

**Notes to the Financial Statements
for the Year Ended 30 June 2010 (Cont'd)**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

c. Plant and Equipment (cont'd)

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

The assets carrying value is written down immediately to 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.

**Notes to the Financial Statements
for the Year Ended 30 June 2010 (Cont'd)**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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 Fair Work (Registered Organisations) Act 2009 and domiciled In Australia.

The Federation operates predominantly in one business and geographical segment, being a representative body of civil engineering contractors 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 2010, except as stated in the report.

Key Judgements - Doubtful Debts Provision

The Committee of Management have assessed each debtor and have estimated a provision for doubtful debts amounting to \$59,000 (2009: \$17,624). 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 2010 (Cont'd)**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

I. Adoption of new and revised accounting standards

During the current year, the Federation has adopted the revised Australian Accounting Standard AASB 101: Presentation of Financial Statements, which became mandatory. The adoption of this Standard has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of this Standard has had on the financial statements of the Federation.

AASB 101: Presentation of Financial Statements

In September 2007, the Australian Accounting Standards Board revised AASB 101, and as a result there have been changes to the presentation and disclosure of certain information with the financial statements. Below is an overview of the key changes and the impact on the Federation's financial statements.

Disclosure impact

Terminology changes – The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements. These changes are not expected to impact the financial performance or financial position of the Federation.

Reporting changes in equity – The revised AASB 101 requires all changes in equity arising from transaction with owners in their capacity as owners to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that owner changes in equity be presented in the income statement.

Statement of comprehensive income – The revised AASB 101 requires all income and expenses to be presented in either one statement – the statement of comprehensive income, or two statements – a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The Federation's financial statements now contain a statement of comprehensive income.

Other comprehensive income – The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expense that are not recognised in profit and loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosure in the statement of comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

m. New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Federation has decided not to early adopt. A discussion of those future requirements and their impact on the Federation is as follows:

- AASB 9: Financial Instruments and AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards are applicable retrospectively and amend the classification and measurement of financial assets. The Federation has not yet determined any potential impact on the financial statements.

**Notes to the Financial Statements
for the Year Ended 30 June 2010 (Cont'd)**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

The changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
 - simplifying the requirements for embedded derivatives;
 - removing the tainting rules associated with held-to-maturity assets;
 - removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
 - allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit and loss and there is no impairment or recycling on disposal of the instrument; and
 - requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows.
- AASB124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011).

This standard removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies the definition of a 'related party' to remove inconsistencies and simplify the structure of the Standard. No changes are expected to materially affect the Federation.

- AASB 2009-4: Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 2 and AASB 138 and AASB Interpretations 9 & 16] (applicable for the annual reporting periods commencing from 1 July 2010) and AASB 2009-5: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139] (applicable for annual reporting periods commencing 1 January 2010).

These Standards detail numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's annual improvements project. No changes are expected to materially affect the Federation.

- AASB 2009-8: Amendments to Australian Accounting Standards – Group Cash-settled Share-based Payment Transactions [AASB 2] (applicable for annual reporting periods commencing on or after 1 January 2010).

This Standard clarifies the accounting for cash-settled share-based payment transactions in the separate or individual financial statements of the entity receiving the goods or services when the entity has no obligation to settle the share-based payment transaction. The amendments incorporate the requirements previously included in Interpretation 8 and Interpretation 11 and as a consequence, these two Interpretations are superseded by the amendments. These amendments are not expected to impact the Federation.

- AASB 2009-12: Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2010).

This Standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs issued by the IASB. The Standard also amends AASB 8 to require entities to exercise judgement in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. The amendments are not expected to impact the Federation.

- AASB 2009-13: Amendments to Australian Accounting Standards arising from Interpretation 19 [AASB 1] (applicable for annual reporting periods commencing on or after 1 January 2010).

This Standard makes amendments to AASB 1 arising from the issue of Interpretation 19. The amendments allow a first-time adopter to apply the transitional provisions in Interpretation 19. This Standard is not expected to impact the Federation.

**Notes to the Financial Statements
for the Year Ended 30 June 2010 (Cont'd)**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

- AASB 2009-14: Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement [AASB Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2010).

This Standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan. It is not expected to impact the Federation.

n. Information to be provided to Members or General Manager of FWA

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

- (1) A Member of an organisation, or a General Manager of FWA, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under subsection (1) by a member of the organisation, or a General Manager of FWA, make the specified information available to the member or General Manager of FWA in such manner and within such time as is prescribed.
- (3) A General Manager of FWA may only make an application under subsection (1) at the request of a member of the organisation concerned, and the General Manager of FWA, shall provide to a member, information received because of an application made at the request of a member.

**Notes to the Financial Statements
for the Year Ended 30 June 2010 (Cont'd)**

	2010 \$	2009 \$
NOTE 2: REVENUE		
Operating activities:		
Membership income	1,048,764	1,005,997
Advertising & sponsorship	104,985	183,883
Training income	239,078	417,738
Functions	198,834	279,989
CCF Bulletins	39,920	62,257
Short courses	226,681	121,011
Daily inspection procedure sales	61,774	57,830
Commission received	2,618	2,455
IMS System	58,951	21,734
Workplace reform	56,382	67,446
Plant assessment	13,682	19,616
SCIMS packages	8,400	33,432
Investment income	22,150	31,769
Association Limited	-	722
DCA costs recovered	25,719	12,479
Piling Federation Management Fees	60,091	-
Other income	10,644	10,109
Total Revenue	2,178,673	2,328,467
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	9,020	23,548
Provision for doubtful debts	41,376	9,800
	50,396	33,348
b. Auditor's Remuneration		
Accounting fees	7,000	8,432
Auditor's remuneration	11,000	5,500
	18,000	13,932
c. Operating Leases		
Photocopier charges	24,805	28,182
Rent	149,283	145,368
Telephone and fax	9,687	6,552
	183,775	180,102
d. Depreciation and Amortisation		
Plant and equipment	23,436	23,971
Motor vehicles	21,127	21,237
	44,563	45,208

**Notes to the Financial Statements
for the Year Ended 30 June 2010 (Cont'd)**

	2010 \$	2009 \$
NOTE 3: SURPLUS FROM ORDINARY ACTIVITIES (CONT)		
e. Compulsory Levy		
National office levy	81,570	87,388

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

f. Employee related expenses

Salaries	873,493	945,959
Superannuation	76,797	75,468
Employee benefits	79,580	14,963
Payroll tax	60,835	56,933
Training and recruitment	4,230	13,189
	<u>1,094,935</u>	<u>1,106,512</u>

NOTE 4: CASH AND CASH EQUIVALENTS

Current

Cash on hand	500	500
Cash at bank	352,128	123,327
Short-term bank deposits	377,814	367,016
	<u>730,442</u>	<u>490,843</u>

The weighted average interest rate for cash as at 30 June 2010 is 3.80% (2009, 2.41%)

NOTE 5: TRADE AND OTHER RECEIVABLES

a. Current

Trade debtors - CCF (National Office)	19,250	17,437
- others	100,960	49,037
	<u>120,210</u>	<u>66,474</u>
Less: Provision for doubtful debts	(59,000)	(17,624)
	<u>61,210</u>	<u>48,850</u>
Sundry debtors	-	17,207
	<u>61,210</u>	<u>66,057</u>

b. Terms and Conditions

Trade debtors relate to services provided, they are non-interest bearing and are secured. Trade debtors relating to training 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 12f.

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 CURRENT ASSETS

Current

Prepayments	5,139	15,751
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**Notes to the Financial Statements
for the Year Ended 30 June 2010 (Cont'd)**

	2010 \$	2009 \$
NOTE 7: 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 to 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	122,673	106,186
Less: Accumulated depreciation	(49,315)	(33,072)
	<u>73,358</u>	<u>73,114</u>
Office furniture and equipment – at cost	187,392	187,392
Less: Accumulated depreciation	(150,118)	(128,991)
	<u>37,274</u>	<u>58,401</u>
Total plant and equipment – net book value	<u>110,632</u>	<u>131,515</u>

Reconciliation of movements in plant and equipment

Motor vehicle – at cost

Carrying amount at beginning of the year	73,114	94,351
Additions	32,387	-
Disposals	(8,707)	-
Depreciation expense	(23,436)	(21,237)
Carrying amount at end of the year	<u>73,358</u>	<u>73,114</u>

Furniture and equipment

Carrying amount at beginning of the year	58,401	66,943
Additions	-	15,429
Disposals	-	-
Depreciation expense	(21,127)	(23,971)
Carrying amount at end of the year	<u>37,274</u>	<u>58,401</u>

**Notes to the Financial Statements
for the Year Ended 30 June 2010 (Cont'd)**

	2010 \$	2009 \$
NOTE 9: TRADE AND OTHER PAYABLES		
a. Current		
Deferred income	286,299	55,980
Creditors and accruals	145,773	80,647
Sundry creditors	15,985	34,644
	448,057	171,271

b. Terms and Conditions

Deferred income relates to cash receipts for membership fees, training and advertising revenue received for the year 2010-11.

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.

NOTE 10: PROVISIONS

a. Current		
Provisions for annual leave	61,333	48,886
b. Non-Current		
Provisions for long service leave	-	13,045
c. Aggregate employee entitlement liability		
	61,333	61,931
d. Number of employees at year-end		
	11	14

**Notes to the Financial Statements
for the Year Ended 30 June 2010 (Cont'd)**

NOTE 11: FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

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

The Federation does not have any derivative instruments at 30 June 2010.

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 this 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 2010, 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:

	2010 \$	2009 \$
Change in profit/(loss)		
Increase in interest rate by 2%	13,049	9,816
Decrease in interest rate by 2%	(13,049)	(9,816)
Change in equity		
Increase in interest rate by 2%	13,049	9,816
Decrease in interest rate by 2%	(13,049)	(9,816)

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 12e and Note 17 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.

**Notes to the Financial Statements
for the Year Ended 30 June 2010 (Cont'd)**

NOTE 12: 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:

Robert Antoun, Terry Bowen, Mick Boyle, Tom Brady, Paul Burton, Glenn Cherrie, Stuart Ford, Glenn Fordham, Paul Gleeson, Troy Lilliendal, John Wade, Karl Waeger, Terry Waterson, Paul Wise, Allan White and Joe Cato.

Members of the NSW Branch Board other than the President are entitled to receive an attendance fee of \$100 for meetings held after 27 September 2008. The President is entitled to a stipend of \$500 per month from this date.

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

David Elliott - Chief Executive Officer
Michelle Bass - Training and OH&S Manager
Brian Duggan - Workplace Relations Manager

c. Key Management Personnel Remuneration	2010			2009		
	Salaries	Super-annuation	Total	Salaries	Super-annuation	Total
	\$	\$	\$	\$	\$	\$
Total Compensation	488,843	39,963	528,806	483,019	42,046	525,065

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. Civil Contractors National Office

At the end of financial year an amount of \$19,250 (2009: \$17,437 per Note 5(a)) was receivable from the CCF National Office, further, an amount of \$81,570 (2009: \$87,388) was paid to the National Office for the National Office levy charged on the revenue of the Federation.

**Notes to the Financial Statements
for the Year Ended 30 June 2010 (Cont'd)**

	2010 \$	2009 \$
NOTE 13: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash on hand	500	500
Cash at bank	352,128	123,327
Call deposit	377,814	367,016
	730,442	490,843
b. Reconciliation of surplus from ordinary activities after income tax to net cash provided by operating activities		
Operating surplus after income tax	(72,931)	(20,131)
Add/(Less) items classified as investing/financing activities		
- Loss on disposal of non current assets	707	-
Non-cash flows in surplus/(deficit) from ordinary activities		
- Depreciation and amortisation	44,563	45,208
- Doubtful debts provision	41,376	9,800
Changes in assets and liabilities		
Decrease/(Increase) in receivables	(36,529)	137,885
Decrease/(Increase) in other assets	10,612	(9,468)
(Decrease)/Increase in deferred income	230,319	(6,223)
(Decrease)/Increase in payables	46,467	(127,482)
(Decrease)/Increase in provisions	(598)	252
Net cash provided by operating activities	263,986	29,841

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 2010, the available facility was \$50,000.

**Notes to the Financial Statements
for the Year Ended 30 June 2010 (Cont'd)**

	2010 \$	2009 \$
NOTE 14: OPERATING COMMITMENTS		
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalized in the financial statements:		
- not later than 12 months	152,828	153,464
- between 12 months and five years	317,758	470,585
- greater than five years	-	-
	470,586	624,049

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 \$152,828 with annual adjustments. The Federation has offered a bank deposit of \$36,600 for restoration, being for the return of the site to its original condition if required.

b. Training Centre

An operating lease has been signed with Penrith Lakes Development Corporation Limited for use of an area of land as a Training Centre. The lease will remain in force for a period of one year from 30 June 2010 and then continues until the land is required for development or the Federation acquires another site. Rent of \$1 per annum is payable and a bank guarantee supported by a deposit of \$20,000 is held in favour of Penrith Lakes Development Corporation Limited.

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

NOTE 16: CONTINGENT LIABILITIES

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

NOTE 17: ECONOMIC DEPENDENCY

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

NOTE 18: FEDERATION DETAILS

The registered office and the principal place of business of the Federation is:
Civil Contractors Federation (NSW Branch)
Suite 2.07
25 Solent Circuit
Norwest Business Park
Baulkham Hills NSW 2153



STANNARDS

Accountants and Advisors

Partners
Marino Angelini, CA
Michael Shulman, CA
Nello Traficante, CPA
Jason Wall, CA

Associates
Nicole Postan, 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 2010 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 Part 3 of Chapter 8 of Schedule 1 of the *Fair Work (Registered Organisations) Act 2009*. 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 Accounting 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.





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Auditor's opinion

In our opinion the general purpose financial report of Civil Contractors Federation (NSW Branch) presents fairly in accordance with the *Fair Work (Registered Organisations) Act 2009* the Federation's financial position as at 30 June 2010 and its performance for the year ended on that date and complies with Australian Accounting Standards (including the Australian Accounting Interpretations).

These were kept by the Branch satisfactorily accounting records detailed the sources and value of the income (individual income from members) and the nature and purpose of the expenditure.

There has been no recovery of wages activity during the year.

STANNARDS ACCOUNTANTS & ADVISORS

M B SHULMAN (Holder of Public Practice Certificate)

Partner

Auditor Registration no. 163888

Dated in Melbourne this

18 August 2010