



FAIR WORK  
AUSTRALIA

4 October 2011

Mr John Wade  
President  
Civil Contractors Federation, New South Wales Branch

email: [ccfnsw@civilcontractors.com](mailto:ccfnsw@civilcontractors.com)

Dear Mr Wade

**Re: Financial Report for the Civil Contractors Federation, New South Wales Branch for year ended 30 June 2011 – FR2011/2632**

I acknowledge receipt of the financial report for the Civil Contractors Federation, New South Wales Branch for the year ended 30 June 2011. The report was lodged with Fair Work Australia on 20 September 2011.

The financial report has now been filed.

You are not required to take any further action in respect of the report lodged.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

Email: [kevin.donnellan@fwa.gov.au](mailto:kevin.donnellan@fwa.gov.au)

## **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:

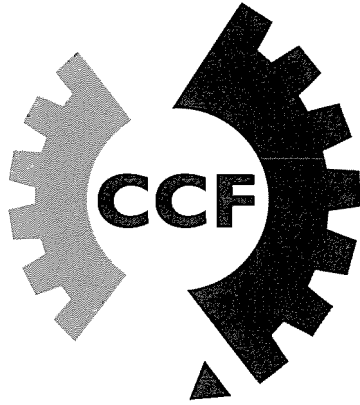
- that the documents lodged herewith are copies of the full report referred to in s268 of the RO Act; and
- that the full report was provided to members on 12<sup>th</sup> August 2011 and
- that the full report was presented to a general meeting of members of the reporting unit on 8<sup>th</sup> September 2011; in accordance with section 266 of the RO Act.

Signature:



Date:

20/9/11



**CIVIL CONTRACTORS  
FEDERATION**

**CIVIL CONTRACTORS FEDERATION  
(NSW BRANCH)**

**ABN 55 645 813 882**

**Financial Report  
for the Year Ended  
30 June 2011**

**Contents**

Operating Report .....	1 - 4
Certificate of the Chief Executive Officer (NSW) .....	5
NSW Branch Board Statement .....	6
Auditor's Independence Declaration .....	7
Income Statement .....	8
Statement of Comprehensive Income .....	9
Statement of Financial Position .....	10
Statement of Changes in Member's Fund .....	11
Statement of Cash Flow .....	12
Notes to the Financial Statements .....	13 - 29
Auditor's Report .....	30 - 31

---

**Operating Report  
for the Year Ended 30 June 2011**

**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 a loss of \$111,328 (2010 loss \$72,931)

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 has occurred to achieve recognition as accredited contractors for quality management OH & S and environmental management utilising the Federations Contractor Management System.

**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: 363 full members and 96 associate members.

**Operating Report  
for the Year Ended 30 June 2011**

**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 7.

**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 –**

Branch President (01-07-10 - 30/06/11)

- *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 (01/07/10 - 30/06/11)

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

**Glenn Cherrie – (Life Member)**

Board Member (01/07/10 - 30/06/11)

- *Chair of Beaconsfield Press*

**Terry Bowen –**

Branch Treasurer (01/07/10 - 30/06/11)

- *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 (01/07/10 - 30/06/11)

- *Member of Land Development & Infrastructure Committee*

**Stuart Ford –**

Branch Board Member (01/07/10 - 30/06/11)

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

**Paul Burton –**

Branch Board Member (01/07/10 - 30/06/11)

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

**Glenn Fordham –**

Committee Member (01/07/10 - 30/06/11)

- *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 2011**

**Paul Gleeson –**

Branch Board Member (01/07/10 - 30/06/11)

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

**Troy Lilliendal –**

Branch Board Member (01/07/10 - 30/06/11)

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

**Terry Waterson –**

Branch Board Member (01/07/10 - 30/06/11)

- *Chair of Land Development & Infrastructure Committee*

**Paul Wise –**

Branch Board Member (01/07/10 - 30/06/11)

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

**Tom Brady –**

Branch Board Member (01/07/10 to 30/06/11)

- *Member of Industrial Relations Committee*

**Karl Waeger –**

Branch Board Member (01/07/10 to 30/06/11)

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

**Operating Report  
for the Year Ended 30 June 2011**

**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.
- (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 10<sup>th</sup> day of August 2011



**Certificate of The Chief Executive Officer (NSW)**

I, David Castledine, 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 459 members of the organisation (2010 - 517) as at the end of the financial year ended 30 June 2011.
- b. The full general purpose financial report, referred to in Section 265 of the Fair Work (Registered Organisations) Act 2009 was presented to the NSW Branch Board through the Executive, Finance and Member Services Sub-Committee on 9<sup>th</sup> August 2011.
- c. The financial statements set out on pages 8 to 29 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 9<sup>th</sup> August 2011 and which will be presented to a General Meeting of Members on 8<sup>th</sup> September 2011.



David Castledine  
**Chief Executive Officer (NSW)**

Dated in Sydney, this 10<sup>th</sup> day of August 2011

**NSW Branch Board Statement  
for the Year Ended 30 June 2011**

On, <sup>11</sup>10 August 2011 the NSW Branch Board of the NSW Civil Contractors Federation (NSW Branch Board) passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2011:

The NSW Branch Board 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 Fair Work Australia;
- (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 Section 265 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:



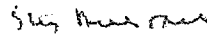
John Wade  
**NSW President**

Dated in Sydney, this <sup>11</sup>10 day of August 2011

**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 2011,  
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: 10/6/11

**Income Statement  
for the Year Ended 30 June 2011**

	Note	2011 \$	2010 \$
Revenues	2	1,997,056	2,178,673
Employee expenses	3f	(968,244)	(1,094,935)
Depreciation and amortisation	3d	(44,854)	(44,563)
Bad and doubtful debts	3a	(40,955)	(50,396)
Merchant fees and bank charges		(10,587)	(13,833)
National Levy	3e	(100,000)	(81,570)
Rental expenses		(157,712)	(160,188)
Functions, seminars and conference costs		(174,790)	(251,676)
Training costs		(121,996)	(210,328)
Communication costs		(24,195)	(58,087)
Travelling expenses		(46,481)	(21,339)
CCF Bulletin expenses		(43,158)	(49,212)
Other expenses from ordinary activities		(375,412)	(215,477)
<b>Surplus from ordinary activities before income tax expense</b>		<b>(111,328)</b>	<b>(72,931)</b>
Income tax expense	1a		-
<b>Net surplus from ordinary activities after income tax expense attributable to the Federation</b>		<b>(111,328)</b>	<b>(72,931)</b>

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income  
for the Year Ended 30 June 2011**

	2011	2010
	\$	\$
Loss for the period	(111,328)	(72,931)
Other Comprehensive Income for the period	-	-
Total comprehensive Income for the period	(111,328)	(72,931)
Total comprehensive Income attributable to members of the organisation	(111,328)	(72,931)

The accompanying notes form part of the financial statements

**Statement of Financial Position  
as at 30 June 2011**

	Note	2011 \$	2010 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	327,151	730,442
Trade and other receivables	5	205,326	61,210
Other current assets	6	9,308	5,139
<b>TOTAL CURRENT ASSETS</b>		<b>541,785</b>	<b>796,791</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	7	12,500	12,500
Plant and equipment	8	127,525	110,632
<b>TOTAL NON-CURRENT ASSETS</b>		<b>140,025</b>	<b>123,132</b>
<b>TOTAL ASSETS</b>		<b>681,810</b>	<b>919,923</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	355,826	448,057
Short term provisions	10	26,779	61,333
<b>TOTAL CURRENT LIABILITIES</b>		<b>382,605</b>	<b>509,390</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term provisions	10	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>382,605</b>	<b>509,390</b>
<b>NET ASSETS</b>		<b>299,205</b>	<b>410,533</b>
<b>MEMBERS' FUNDS</b>			
Accumulated Surplus		299,205	410,533
<b>TOTAL MEMBERS' FUNDS</b>		<b>299,205</b>	<b>410,533</b>

The accompanying notes form part of these financial statements

**Statement of Changes in Members' Fund  
for the Year Ended 30 June 2011**

	2011 \$	2010 \$
Balance at beginning of financial year	410,533	483,464
Surplus attributable to members	(111,328)	(72,931)
Balance at end of financial year	<u>299,205</u>	<u>410,533</u>

The accompanying notes form part of these financial statements

**Statement of Cash Flow**  
**For the Year ended 30 June 2011**

	Note	2011 \$	2010 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members and customers		1,791,338	2,166,313
Interest received		42,320	22,150
Payments to CCF National Office		(100,000)	(81,570)
Payments to suppliers and employees		(2,077,252)	(1,842,907)
<b>Net cash provided by operating activities</b>	13b	<b>(343,594)</b>	<b>263,986</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of plant and equipment		(84,242)	(32,387)
Proceeds from sale of plant and equipment		24,545	8,000
<b>Net cash used in by investing activities</b>		<b>(59,697)</b>	<b>(24,387)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayments of borrowings		-	-
<b>Net (decrease)/increase in cash held</b>		<b>(403,291)</b>	<b>239,599</b>
Cash at the beginning of the financial year		730,442	490,843
<b>Cash at the end of the financial year</b>	13a	<b>327,151</b>	<b>730,442</b>

The accompanying notes form part of these financial statements



**Notes to the Financial Statements  
for the Year Ended 30 June 2011**

**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 believed to be exempt from income tax including capital gains tax, by virtue of the provisions of s.50-15 of the Income Tax Assessment Act 1997.

**b. Cash and cash equivalents**

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

**c. Plant and Equipment**

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

***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 2011 (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 2011 (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 service.

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 Branch Board 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 Branch Board 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 2011, except as stated in the report.

*Key Judgements - Doubtful Debts Provision*

The Branch Board have assessed each debtor and have estimated a provision for doubtful debts amounting to \$78,282 (2010: \$59,000). The Branch Board believes that the full amount of the remaining debtors are recoverable.

**Notes to the Financial Statements  
for the Year Ended 30 June 2011 (Cont'd)**

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

**(I) 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 (December 2010) (applicable for annual reporting periods commencing on or after 1 January 2013).

This Standard is applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments. The Federation has not yet determined any potential impact on the financial statements.

The key 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 or loss and there is no impairment or recycling on disposal of the instrument;
  - 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 characteristic of the contractual cash flows; and
  - requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.
- AASB 124: 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 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129, & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements.

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements

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

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

(l) New Accounting Standards for Application in Future Periods

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

The following entities are required to apply Tier 1 reporting requirements (ie. full IFRS);

- for-profit private sector entities that have public accountability; and
- the Australian Government and state, territory and local governments.

Since the Federation has public accountability, it does not qualify for the reduced disclosure requirements for Tier 2 entities.

AASB 2010-2 makes amendments to Australian Accounting Standards and Interpretation to give effect to the reduced disclosure requirements for Tier 2 entities. It achieves this by specifying the disclosure paragraphs that a Tier 2 entity need not comply with as well as adding specific "RDR" disclosures.

- 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 2011).

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 by the IASB. The Standard also amends AASB 8 to require entities to exercise judgment 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 2009-14: Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement [AASB Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2011).

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.

This Standard is not expected to impact the Federation.

**Notes to the Financial Statements  
for the Year Ended 30 June 2011 (cont'd)**

**Note 1 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(I) New Accounting Standards for Application in Future Periods (cont'd)**

- AASB 2010-4: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard details numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's annual improvements project. Key changes include:

- clarifying the application of AASB 108 prior to an entity's first Australian-Accounting Standards financial statements;
- adding an explicit statement to AASB 7 that qualitative disclosures should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments;
- amending AASB 101 to the effect that disaggregation of changes in each component of equity arising from transactions recognised in other comprehensive income is required to be presented, but is permitted to be presented in the statement of changes in equity or in the notes;
- adding a number of examples to the list of events or transactions that require disclosure under AASB 134; and
- making sundry editorial amendments to various Standards and Interpretations.

This Standard is not expected to impact the Federation.

- AASB 2010-5: Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042] (applicable for annual reporting periods beginning on or after 1 January 2011).

This Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. However, these editorial amendments have no major impact on the requirements of the respective amended pronouncements.

- AASB 2010-6: Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7] (applicable for annual reporting periods beginning on or after 1 July 2011).

This Standard adds and amends disclosure requirements about transfers of financial assets, especially those in respect of the nature of the financial assets involved and the risks associated with them. Accordingly, this Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards, and AASB 7: Financial Instruments: Disclosures, establishing additional disclosure requirements in relation to transfers of financial assets.

This Standard is not expected to impact the Federation.

- AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to a range of Australian Accounting Standards and Interpretations as a consequence of the issuance of AASB 9: Financial Instruments in December 2010. Accordingly, these amendments will only apply when the entity adopts AASB 9

As noted above, the Federation has not yet determined any potential impact on the financial statements from adopting AASB 9.

**Notes to the Financial Statements  
for the Year Ended 30 June 2011 (cont'd)**

**Note 1 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

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

- AASB 2010-8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes.

The amendments brought in by this Standard introduce a more practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model under AASB 140: Investment Property.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments brought in by this Standard also incorporate Interpretation 121 into AASB 112. The amendments are not expected to impact the Federation.

- AASB 2010-9: Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1] (applies to periods beginning on or after 1 July 2011).

This Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards.

The amendments brought in by this Standard provide relief for first-time adopters of Australian Accounting Standards from having to reconstruct transactions that occurred before their date of transition to Australian Accounting Standards.

Furthermore, the amendments brought in by this Standard also provide guidance for entities emerging from severe hyperinflation either to resume presenting Australian-Accounting-Standards financial statements or to present Australian-Accounting-Standards financial statements for the first time.

This Standard is not expected to impact the Federation.

- AASB 2010-10: Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for first-time adopters (AASB 2009-11 & AASB 2010-7] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9, and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).

The amendments brought in by this Standard ultimately affect AASB 1: First-time Adoption of Australian Accounting Standards and provide relief for first-time adopters from having to reconstruct transactions that occurred before their transition date.

[The amendments to AASB 2009-11 will only affect early adopters of AASB 2009-11 (and AASB 9: Financial Instruments that was issued in December 2009) as it has been superseded by AASB 2010-7]

This Standard is not expected to impact the Federation.

**Notes to the Financial Statements  
for the Year Ended 30 June 2011 (cont'd)**

**Note 1 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**m. 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 a reporting unit, or the General Manager, may apply to the reporting unit for a specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit
- (3) A reporting unit must comply with an application made under subsection (1).



**Notes to the Financial Statements  
for the Year Ended 30 June 2011 (cont'd)**

	2011 \$	2010 \$
<b>NOTE 2: REVENUE</b>		
Operating activities:		
Membership income	1,083,800	1,048,764
Advertising & sponsorship	36,222	104,985
Training income	230,106	239,078
Functions	195,893	198,834
CCF Bulletins	6,055	39,920
Short courses	148,590	226,681
Daily inspection procedure sales	63,570	61,774
Commission received	1,881	2,618
IMS System	36,074	58,951
Workplace reform	42,665	56,382
Plant assessment	(76)	13,682
SCIMS packages	-	8,400
Investment income	42,320	22,150
Association Limited	-	-
DCA costs recovered	22,070	25,719
Piling Federation Management Fees	60,195	60,091
Other income	27,691	10,644
<b>Total Revenue</b>	<b>1,997,056</b>	<b>2,178,673</b>
<b>NOTE 3: SURPLUS FROM ORDINARY ACTIVITIES</b>		
The operating surplus of the Federation before income tax expense has been determined after:		
<b>a. Bad and Doubtful Debts</b>		
Bad debts written off	21,673	9,020
Provision for doubtful debts	19,282	41,376
	40,955	50,396
<b>b. Auditor's Remuneration</b>		
Accounting fees		7,000
Auditor's remuneration	5,150	11,000
	5,150	18,000
<b>c. Operating Leases</b>		
Photocopier charges	17,439	24,805
Rent	157,712	149,283
Telephone and fax	8,751	9,687
	183,902	183,775
<b>d. Depreciation and Amortisation</b>		
Plant and equipment	18,627	23,436
Motor vehicles	26,227	21,127
	44,854	44,563

**Notes to the Financial Statements  
for the Year Ended 30 June 2011 (Cont'd)**

	2011 \$	2010 \$
<b>NOTE 3: SURPLUS FROM ORDINARY ACTIVITIES (CONT)</b>		
<b>e. Compulsory Levy</b>		
National office levy	100,000	81,570

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

<b>f. Employee related expenses</b>		
Salaries	853,430	873,493
Superannuation	72,250	76,797
Employee benefits	(34,554)	79,580
Payroll tax	49,062	60,835
Training and recruitment	28,056	4,230
	968,244	1,094,935

**NOTE 4: CASH AND CASH EQUIVALENTS**

<b>Current</b>		
Cash on hand	1,340	500
Cash at bank	215,611	352,128
Short-term bank deposits	110,200	377,814
	327,151	730,442

The weighted average interest rate for cash as at 30 June 2011 is 6.90% (2010, 3.80%)

**NOTE 5: TRADE AND OTHER RECEIVABLES**

<b>a. Current</b>		
Trade debtors - CCF (National Office)	19,250	19,250
- others	258,218	100,960
	277,468	120,210
Less: Provision for doubtful debts	(78,282)	(59,000)
	199,186	61,210
Sundry debtors	6,140	-
	205,326	61,210

**b. Terms and Conditions**

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

Details of the trade debtors owing from the related party are outlined at Note 12e.

Sundry debtors are non-interest bearing and unsecured.

**NOTE 6: OTHER CURRENT ASSETS**

<b>Current</b>		
Prepayments	6,684	5,139
Stock on Hand	2,624	-
	9,308	5,139

**Notes to the Financial Statements  
for the Year Ended 30 June 2011 (Cont'd)**

	2011 \$	2010 \$
<b>NOTE 7: FINANCIAL ASSETS</b>		
<b>a. Non-Current</b>		
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 (NSW Branch) in August 2000. The Board continues to believe that this valuation is the most appropriate to value these shares.

**Note 8: PLANT AND EQUIPMENT**

Motor vehicles – at cost	141,418	122,673
Less: Accumulated depreciation	(33,983)	(49,315)
	107,435	73,358
Office furniture and equipment – at cost	188,834	187,392
Less: Accumulated depreciation	(168,744)	(150,118)
	20,090	37,274
Total plant and equipment – net book value	127,525	110,632

**Reconciliation of movements in plant and equipment**

**Motor vehicle – at cost**

Carrying amount at beginning of the year	73,358	73,114
Additions	82,799	32,387
Disposals	(22,495)	(8,707)
Depreciation expense	(26,227)	(23,436)
Carrying amount at end of the year	107,435	73,358

**Furniture and equipment**

Carrying amount at beginning of the year	37,274	58,401
Additions	1,443	-
Disposals	-	-
Depreciation expense	(18,627)	(21,127)
Carrying amount at end of the year	20,090	37,274

**Notes to the Financial Statements  
for the Year Ended 30 June 2011 (cont'd)**

	2011 \$	2010 \$
<b>NOTE 9: TRADE AND OTHER PAYABLES</b>		
<b>a. Current</b>		
Deferred income	122,727	286,299
Creditors and accruals	217,467	145,773
Sundry creditors	15,632	15,985
	355,826	448,057

**b. Terms and Conditions**

Deferred income relates to cash receipts for membership fees, training and advertising revenue received for the year 2011-12.

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	26,779	61,333
-----------------------------	--------	--------

**b. Non-Current**

Provisions for long service leave	-	-
-----------------------------------	---	---

**c. Aggregate employee entitlement liability**

	26,779	61,333
--	--------	--------

**d. Number of employees at year-end**

	7	11
--	---	----

**Notes to the Financial Statements  
for the Year Ended 30 June 2011 (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 2011.

**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 2011, 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:

	2011 \$	2010 \$
<b>Change in profit/(loss)</b>		
Increase in interest rate by 1%	3,258	6,524
Decrease in interest rate by 1%	(3,258)	(6,524)
<b>Change in equity</b>		
Increase in interest rate by 1%	3,258	6,524
Decrease in interest rate by 1%	(3,258)	(6,524)

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 Statement of Financial Position and notes to the financial report.

The Federation is not materially exposed to any individual credit risk.

**Notes to the Financial Statements  
for the Year Ended 30 June 2011 (cont'd)**

**NOTE 11: FINANCIAL RISK MANAGEMENT**

Interest Rate Risk

The Federation's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classess of financial assets and financial liabilities, is as follows:-

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	1 year or less \$	Fixed Interest Rate Maturities 1 to 5 years \$	Over 5 years \$	Non Interest Bearing \$	Total \$
<b>30 June 2011</b>							
<b>Assets:</b>							
Cash	6.90	325,811	-	-	-	1,340	327,151
Trade and Sundry Debtors		-	-	-	-	205,326	205,326
		325,811	-	-	-	206,666	532,477
<b>Liabilities:</b>							
Sundry Creditors & Other Liabilities		-	-	-	-	(355,826)	(355,826)
		-	-	-	-	(355,826)	(355,826)
Net financial assets		325,811	-	-	-	(149,160)	176,651
<b>30 June 2010</b>							
Total financial assets	3.80	729,942	-	-	-	61,710	791,652
Total financial liabilities		-	-	-	-	(448,057)	(448,057)
Net financial assets		729,942	-	-	-	(386,347)	343,595

**iv. Net Fair Values**

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

**Notes to the Financial Statements  
for the Year Ended 30 June 2011 (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 and Paul Wise.

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 – (former Chief Executive Officer)  
David Castledine - Chief Executive Officer  
Michelle Bass – (former Training and OH&S Manager)  
Brian Duggan – (former Workplace Relations Manager)

c. Key Management Personnel Remuneration	2011 \$			2010 \$		
	Salaries \$	Super- annuation \$	Total \$	Salaries \$	Super- annuation \$	Total \$
Total Compensation	447,142	37,425	484,567	488,843	39,963	528,806

**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 (2010: \$19,250 per Note 5(a)) was receivable from the CCF National Office and an amount of \$67,424 was payable to CCF National Office. An amount of \$100,000 (2010: \$81,570) was incurred 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 2011 (Cont'd)**

	2011 \$	2010 \$
<b>NOTE 13: CASH FLOW INFORMATION</b>		
<b>a. Reconciliation of Cash</b>		
Cash on hand	1,340	500
Cash at bank	215,611	352,128
Call deposit	110,200	377,814
	<u>327,151</u>	<u>730,442</u>
<b>b. Reconciliation of surplus from ordinary activities after income tax to net cash provided by operating activities</b>		
Operating surplus after income tax	(111,328)	(72,931)
<b>Add/(Less) items classified as investing/financing activities</b>		
- Loss on disposal of non current assets	(2,050)	707
<b>Non-cash flows in surplus/(deficit) from ordinary activities</b>		
- Depreciation and amortisation	44,854	44,563
- Doubtful debts provision	19,282	41,376
<b>Changes in assets and liabilities</b>		
Decrease/(Increase) in receivables	(163,398)	(36,529)
Decrease/(Increase) in other assets	(4,169)	10,612
(Decrease)/Increase in deferred income	(163,572)	230,319
(Decrease)/Increase in creditors and accruals	71,341	46,467
(Decrease)/Increase in provisions	(34,554)	(598)
<b>Net cash provided by operating activities</b>	<u>(343,594)</u>	<u>263,986</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 2011, the available facility was \$50,000.



**Notes to the Financial Statements  
for the Year Ended 30 June 2011 (Cont'd)**

	2011 \$	2010 \$
<b>NOTE 14: OPERATING COMMITMENTS</b>		
<b>Operating Lease Commitments</b>		
Non-cancellable operating leases contracted for but not capitalized in the financial statements:		
- not later than 12 months	167,621	152,828
- between 12 months and five years	161,682	317,758
- greater than five years	-	-
	<u>329,303</u>	<u>470,586</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 \$137,206 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

**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 statement of financial position as at 30 June 2011 and the income statement, statement of comprehensive income, 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 Board, 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.

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

***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 *Fair Work (Registered Organisations) Act 2009* the Federation's financial position as at 30 June 2011 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 satisfactory accounting records which detailed the sources and nature of the income (including income from members) and the nature and purposes of the expenditure.

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

*See above page*

**STANNARDS ACCOUNTANTS & ADVISORS**



**M B SHULMAN (Holder of Public Practice Certificate)**  
Partner  
Auditor Registration no. 163888

Dated in Melbourne this *10th day of April 2011*