



FAIR WORK  
AUSTRALIA

8 November 2012

Mr John Wade  
President  
Civil Contractors Federation - New South Wales Branch  
P.O. Box 7252  
Baulkham Hills BC NSW 2153

[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 2012 - FR2012/317**

I acknowledge receipt of the financial report for the Civil Contractors Federation - New South Wales Branch, for the year ended 30 June 2012. The report was lodged on 25 September 2012.

The financial report has been filed.

I make the following comments to assist you when you next prepare a financial report. You are, however, not required to take any further action in respect of the report lodged.

1. Disclosure of employee benefits to office holders and other employees

The General Manager's Reporting Guidelines ('RGs') require reporting units to separately disclose:

- employee benefits to office holders, and
- employee benefits to employees other than office holders

in the Statement of Comprehensive Income or in the Notes to the Financial Statements and in the Liabilities section of the Statement of Financial Position (see items 11(g), 11(h), 14(c) and 14(d) of the Reporting Guidelines).

From the information provided in the lodged documents, Notes 3(f) and 10, itemise the components of 'Employee related expenses' and various provisions attached to employee entitlement liabilities respectively, without separately disclosing employee benefits to office holders and employee benefits to employees other than office holders. The distinction in relation to the separate categories of employees should be clearly outlined in the financial statements or notes to the financial statements.

If there are no employees who are also office holders within the meaning of sections 6 and/or 9 of the *Fair Work (Registered Organisations) Act 2009* a line item in the relevant financial statements or notes should also be included to clearly indicate this.

2. Extraneous documents

The Certificate of the Chief Executive Officer on page 6 and the Branch Report Format - 2012 are not required to be lodged. Please note that once these documents are filed they appear on the Fair Work Australia organisations website at: <http://www.e-airc.gov.au/267vnsw/>

To avoid unnecessary confidential documents from appearing on the internet, documents that are not required to be lodged under the Act should not be submitted to FWA.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7787.

Yours sincerely

A handwritten signature in black ink that reads "Andrea O'Halloran". The signature is written in a cursive style with a period at the end.

Andrea O'Halloran  
Regulatory Compliance Branch  
Fair Work Australia

# Civil Contractors Federation NSW 2012 Annual General Meeting Notice

22 August 2012

Dear Member,

Notice is hereby given pursuant to the rules of the Federation that the Annual General Meeting of Members of the Civil Contractors Federation NSW is to be held on Wednesday 12<sup>th</sup> September 2012.

Meeting details are set out below and the Agenda for the meeting is attached. Also attached are the Minutes of the 2011 Annual General Meeting and the 2011/2012 Annual Report which includes the full financial reports and Auditor's Report for the year ended 30 June 2012. These documents will also be available to Members at the AGM for approval.

**Date: Wednesday 12<sup>th</sup> September 2012**

**Time: 4pm**

**Location: CCF Offices – Level 2, Suite 7, 25 Solent Circuit, Baulkham Hills**

Yours sincerely



David Castledine  
Chief Executive Officer CCF NSW

**Attachments:**

- Meeting Agenda
- Minutes of the 2011 AGM
- 2011/2012 Annual Report including financial reports and Auditor's report



# CCF NSW Annual General Meeting

## Wednesday 12<sup>th</sup> September 2012

4pm

CCF Offices – Level 2, Suite 7,  
25 Solent Circuit, Baulkham Hills

### Agenda

1. **Welcome**

2. **Apologies**

3. **Adoption of Minutes [Attachment A]**

Resolution:

*“That the Minutes of the 2011 Annual General Meeting be adopted”*

**Proposer:**

**Secunder:**

4. **Operational Report**

Resolution:

*“That the 2012 Operational Report be accepted”*

**Proposer:**

**Secunder:**

5. **Acceptance of Annual Accounts [Attachment B]**

Resolution:

*“That the 2011/2012 Annual Accounts be accepted”*

**Proposer:**

**Secunder:**

6. **Appointment of Auditor**

Resolution:

*“That Stannards Accountants and Advisors be Appointed as Auditor for 2012/2013”*

**Proposer:**

**Secunder:**

## 7. Appointment of Returning Officers

Resolution:

*That Don Stein AM be appointed as Hon. Returning Officer; and George Neou and Terry Bowen as Hon. Assistant Returning Officers for 2012/2013.*

**Proposer:**

**Seconder:**

## 8. Declaration of Office Bearers

**Declaration:**

The Australian Electoral Office declared the Branch Office Bearers for 2012/2013 as:

Branch President:	John Wade
Branch Vice President:	Mick Boyle
Branch Honorary Treasurer:	Stuart Ford
Branch Board Members:	Robert Antoun
	Tom Brady
	Paul Burton
	Glenn Cherrie
	Glenn Fordham
	Troy Lilliendal
	Karl Waeger
	Scott Olsen
	Mark Schultz
National Board Member:	Mark Schultz
Alternate National Board Member:	Robert Dahan

## 9. General Business

# **ATTACHMENT**

# **A**



# CCF NSW Annual General Meeting

Thursday 8<sup>th</sup> September 2011  
 CCF NSW Offices  
 Level 2, Suite 7, 25 Solent Cct, Baulkham Hills

## Minutes

### 1. Welcome

John Wade

#### Attendees:

John Wade	Wade Civil Engineering
Don Stein AM	Don Stein Investments Pty Ltd
Stephen Wolstenholme	Rocla Pipeline Products
Peter Campbell	OAMPS
Allan Coombes	Employers Mutual
Kylie Archer	Employers Mutual
Robert Antoun	Antoun Civil Engineering
Glenn Cherrie	Ward Civil & Environmental Engineering
David Simmons	Refuelling Solutions
Nigel Rayner	360HR
David Doyle	The Builders Lawyer
David Morgan	Geofabrics
Neal McQuade	Retaining Specialists
Michael Hartnett	Construction Equipment Australia

### 2. Apologies

John Wade

Paula Fursman	John Lacey Earthmoving
Ken McCaffrey	Elmac Plant Hire
Troy Lilliendal	Lilliendal Civil Pty Ltd
Stuart Ford	Ford Civil Contracting Pty Ltd
Karen & Steve Cusato	Kazac Civil
Terry Bowen	Daracon Group
Mick Boyle	Abergeldie Contractors Pty Ltd
Karl Waeger	Waeger Constructions
Tom Brady	Brefni Excavation & Earthmoving Pty Ltd
Paul Burton	Burton Contractors
Alan Waugh	Emeco International
Paul Wilde	Wilde Civil Pty Ltd
Steve Quinn	Road Management Solutions
Paul Wise	The Reed Group
John Carey	Carey Constructions
Gabrielle Struyf	Hunter Kerb Constructions
Sue Claytone	The JDS Group
Glenn Fordham	TRN Group
Ashley Peck	Apec Earthworks
Andrew Kennedy	Kennedy Bros
Neil Liddell	Robson Civil Projects
Dawn Hempstead	HBS
Steve Bryan	Aus Pits
Paul Gleeson	Gleeson Civil Engineering
John Street	Office of Environment & Heritage
Keith Redenbach	Norton Rose



# CCF NSW Annual General Meeting

Thursday 8<sup>th</sup> September 2011

CCF NSW Offices

Level 2, Suite 7, 25 Solent Cct, Baulkham Hills

## 3. Adoption of Minutes

John Wade

**Resolution:** *“That the Minutes of the 2010 Annual General Meeting be adopted.”*

**Proposer:** John Wade

**Secunder:** Glenn Cherrie

**Carried**

David Morgan questioned why CCF NSW had been running at a loss as outlined in the Branch Annual Report. David Castledine listed some of the contributing factors. Other topics briefly discussed included:

- No enough trainers within CCF, but we are currently recruiting for another.
- Marketing was lacking for promoting short courses.
- Not enough focus was placed on members in regional areas, this will be changing.
- National Workforce Development funding expressions of interest must be in by 30<sup>th</sup> September 2011 – we will be partnering with Skills DMC
- CCF restructure and recruitment - new IR/HR role has been filled.
- SEQ role currently being recruited for.
- Looking at another loss next year but then we hope to be back on track.
- CCF Member perception is currently not good but we are working on changing that.

## 4. CCF NSW Branch Annual Report

John Wade

**Resolution:** *“That the 2011 CCF NSW Branch Annual Report be accepted.”*

**Proposer:** Nigel Rayner

**Secunder:** Glenn Cherrie

**Carried**

## 5. Acceptance of Annual Accounts

John Wade

**Resolution:** *“That the 2010/2011 Annual Accounts be accepted.”*

**Proposer:** David Morgan

**Secunder:** David Simmons

**Carried**



<b>6. Appointment of Auditor</b>	John Wade																										
<p><b>Resolution:</b> <i>“That Stannards Accountants and Advisors be appointed as Auditor for 2011/2012.”</i></p> <p><b>Proposer:</b> David Morgan</p> <p><b>Seconder:</b> Glenn Cherrie</p> <p style="text-align: center;"><b><i>Carried</i></b></p>																											
<b>7. Appointment of Returning Officers</b>																											
<p><b>Resolution:</b> <i>“That Don Stein AM be appointed as Hon. Returning Officer; and Terry Bowen and Alan Waugh as Hon. Assistant Returning Officers for 2011/2012.”</i></p> <p><b>Proposer:</b> David Simmons</p> <p><b>Seconder:</b> Nigel Rayner</p> <p style="text-align: center;"><b><i>Carried</i></b></p>																											
<b>8. Declaration of Office Bearers</b>	[President]																										
<p>The Australian Electoral Office declared the Branch Office Bearers for 2011 - 2013 as:</p> <table style="width: 100%; border: none;"> <tr> <td style="padding-left: 40px;">Branch President:</td> <td>John Wade</td> </tr> <tr> <td style="padding-left: 40px;">Branch Vice President:</td> <td>Michael Boyle</td> </tr> <tr> <td style="padding-left: 40px;">Branch Honorary Treasurer:</td> <td>To be elected</td> </tr> <tr> <td style="padding-left: 40px;">Branch Board Members:</td> <td>Robert Antoun</td> </tr> <tr> <td></td> <td>Tom Brady</td> </tr> <tr> <td></td> <td>Paul Burton</td> </tr> <tr> <td></td> <td>Glenn Cherrie</td> </tr> <tr> <td></td> <td>Troy Lilliendal</td> </tr> <tr> <td></td> <td>Karl Waeger</td> </tr> <tr> <td></td> <td>Terry Waterson</td> </tr> <tr> <td></td> <td>Paul Wise</td> </tr> <tr> <td style="padding-left: 40px;">National Board Member:</td> <td>Mark Schultz</td> </tr> <tr> <td style="padding-left: 40px;">Alternate National Board Member:</td> <td>Robert Dahan</td> </tr> </table>		Branch President:	John Wade	Branch Vice President:	Michael Boyle	Branch Honorary Treasurer:	To be elected	Branch Board Members:	Robert Antoun		Tom Brady		Paul Burton		Glenn Cherrie		Troy Lilliendal		Karl Waeger		Terry Waterson		Paul Wise	National Board Member:	Mark Schultz	Alternate National Board Member:	Robert Dahan
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<b>9. General Business</b>	John Wade																										
<p>John Wade went around the table and asked if anyone had any general business that they would like to discuss. There was no general business to discuss.</p>																											

The Annual General Meeting closed at 4.31pm

**Signed:**

**Title of Office held:** CCF NSW President

**Date:** 15<sup>th</sup> September 2011

# **ATTACHMENT**

# **B**

**CIVIL CONTRACTORS FEDERATION  
(NSW BRANCH)**

**ABN 55 645 813 882**

**Financial Report  
for the Year Ended  
30 June 2012**

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**Operating Report  
for the Year Ended 30 June 2012**

**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 profit of \$5,006 (2011 loss \$111,328)

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

The Branch has also continued service provision in workplace training to meet industry demand, and has released a number of restructured products that has stimulated 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 to increase membership. We are also expanding our publications with the development of the NSW Year Book incorporating the Plant Hire Manual.

Continued education and promotion of contractors has occurred to achieve recognition as accredited contractors for quality management WH&S and environmental management utilising the Federation's 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 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: 339 full members and 93 associate members.

**Operating Report  
for the Year Ended 30 June 2012**

**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 12.

**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 (01/07/11 to 30/06/12)

- *Chair of Executive, Finance & Member Services Committee*
- *Member of Government and Public Affairs Committee*
- *Chair of Regional Interaction Committee*

**Mick Boyle –**

Branch Vice-President (01/07/11 to 30/06/12)

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

**Glenn Cherrie – (Life Member)**

Branch Board Member (01/07/11 to 30/06/12)

- *Chair of Beaconsfield Press*

**Terry Bowen –**

Branch Treasurer (01/07/11 to 8/9/11) – Retired 2011 AGM

**Robert Antoun –**

Branch Board Member (01/07/11 to 30/06/12)

**Stuart Ford –**

Branch Board Member (01/07/11 to 11/10/12)

Branch Treasurer (12/10/11 to 30/6/2012)

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

**Paul Burton –**

Branch Board Member (01/07/11 to 30/06/12)

- *Chair of Industrial Relations Committee*
- *Member of Government and Public Affairs Committee*

**Glenn Fordham –**

Branch Board Member (01/07/11 to 8/9/11) & (1/2/12 to 30/6/12)

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

**Operating Report  
for the Year Ended 30 June 2012**

**Paul Gleeson –**

Branch Board Member (01/07/11 to 8/9/11) – Retired 2011 AGM

**Troy Lilliendal –**

Branch Board Member (01/07/11 to 30/06/12)

**Terry Waterson –**

Branch Board Member (01/07/11 to 14/12/11) - Resigned

**Paul Wise –**

Branch Board Member (01/07/11 to 30/06/12)

- *Member of Government and Public Affairs Committee*

**Tom Brady –**

Branch Board Member (01/07/11 to 30/06/12)

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

**Karl Waeger –**

Branch Board Member (01/07/11 to 30/06/12)

- *Chair of Workforce Development Committee*
- *Member of Regional Interaction Committee*

**Mark Schultz –**

Branch Board Member (01/02/12 to 30/06/12)

- *National Board Member*
- *Chair of Moving Plant, Plant Hire & Cartage Committee*

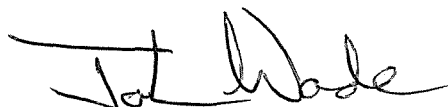
**Operating Report  
for the Year Ended 30 June 2012**

**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 <sup>22<sup>nd</sup></sup> day of August 2012



**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 432 members of the organisation (2011 - 459) as at the end of the financial year ended 30 June 2012.
- 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 31<sup>st</sup> July 2012.
- 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 2012 and which will be presented to a General Meeting of Members on 12<sup>th</sup> September 2012.



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

Dated in Sydney, this 21<sup>st</sup> day of August 2012

**NSW Branch Board Statement  
for the Year Ended 30 June 2012**

On, 10<sup>th</sup> August 2012 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 2012:

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 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

22<sup>nd</sup>  
Dated in Sydney, this day of August 2012

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

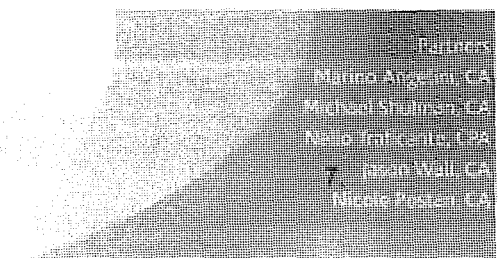
We declare that, to the best of our knowledge and belief, during the year ended 30 June 2012, there have been:—

- (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 21/8/12



**Income Statement  
for the Year Ended 30 June 2012**

	Note	2012 \$	2011 \$
Revenues	2	2,742,724	1,997,056
Employee expenses	3f	(1,281,164)	(968,244)
Depreciation and amortisation	3d	(44,553)	(44,854)
Bad and doubtful debts	3a	(20,100)	(40,955)
Merchant fees and bank charges		(10,650)	(10,587)
National Levy	3e	(103,300)	(100,000)
Rental expenses		(137,440)	(157,712)
Functions, seminars and conference costs		(277,983)	(174,790)
Training costs		(241,329)	(121,996)
Communication costs		(43,358)	(24,195)
Travelling expenses		(44,023)	(46,481)
CCF Bulletin expenses		(54,634)	(43,158)
Other expenses from ordinary activities		(479,184)	(375,412)
<b>Surplus from ordinary activities before income tax expense</b>		<b>5,006</b>	<b>(111,328)</b>
Income tax expense	1a	-	-
<b>Net surplus from ordinary activities after income tax expense attributable to the Federation</b>		<b>5,006</b>	<b>(111,328)</b>

The accompanying notes form part of the financial statements

**CIVIL CONTRACTORS FEDERATION (NSW BRANCH)**

**Statement of Comprehensive Income  
for the Year Ended 30 June 2012**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
Surplus / (Loss) for the period	5,006	(111,328)
Other Comprehensive Income for the period		-
Total comprehensive Income for the period	5,006	(111,328)
Total comprehensive Income attributable to members of the organisation	5,006	(111,328)

The accompanying notes form part of the financial statements

**CIVIL CONTRACTORS FEDERATION (NSW BRANCH)**

**Statement of Financial Position  
as at 30 June 2012**

	Note	2012 \$	2011 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	549,262	327,151
Trade and other receivables	5	544,983	205,326
Other current assets	6	10,120	9,308
<b>TOTAL CURRENT ASSETS</b>		<b>1,104,365</b>	<b>541,785</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	7	12,500	12,500
Plant and equipment	8	195,946	127,525
<b>TOTAL NON-CURRENT ASSETS</b>		<b>208,446</b>	<b>140,025</b>
<b>TOTAL ASSETS</b>		<b>1,312,811</b>	<b>681,810</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	864,114	355,826
Short term provisions	10	53,136	26,779
Borrowings	11	21,587	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>938,837</b>	<b>382,605</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term provisions	10	-	-
Borrowings	11	69,763	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>69,763</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>1,008,600</b>	<b>382,605</b>
<b>NET ASSETS</b>		<b>304,211</b>	<b>299,205</b>
<b>MEMBERS' FUNDS</b>			
Accumulated Surplus		304,211	299,205
<b>TOTAL MEMBERS' FUNDS</b>		<b>304,211</b>	<b>299,205</b>

The accompanying notes form part of the financial statements

**Statement of Changes in Members' Fund  
for the Year Ended 30 June 2012**

	2012 \$	2011 \$
Balance at beginning of financial year	299,205	410,533
Surplus attributable to members	5,006	(111,328)
Balance at end of financial year	<u>304,211</u>	<u>299,205</u>

The accompanying notes form part of the financial statements

**Statement of Cash Flow**  
**For the Year ended 30 June 2012**

	Note	2012 \$	2011 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members and customers		2,433,564	1,791,338
Interest received		21,897	42,320
Payments to CCF National Office		(103,300)	(100,000)
Payments to suppliers and employees		(2,107,970)	(2,077,252)
<b>Net cash provided by operating activities</b>	14b	<b>244,191</b>	<b>(343,594)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of plant and equipment		(120,703)	(84,242)
Proceeds from sale of plant and equipment		7,273	24,545
<b>Net cash used in investing activities</b>		<b>(113,430)</b>	<b>(59,697)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Borrowings		92,262	-
<b>Net (decrease)/increase in cash held</b>		<b>223,023</b>	<b>(403,291)</b>
Cash at the beginning of the financial year		327,151	730,442
<b>Cash at the end of the financial year</b>	14a	<b>549,262</b>	<b>327,151</b>

The accompanying notes form part of these financial statements



**Notes to the Financial Statements  
for the Year Ended 30 June 2012**

**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 Branch Board 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 2012 (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 asset's 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 Branch Board 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 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 2012 (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 Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Cash Flow Statement on a gross basis, except the GST component of investing and financing activities, which are disclosed as operating cash flows.

**h. Revenue**

Revenue from 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 2012, 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 \$25,888 (2011: \$78,282). 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 2012 (cont'd)**

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

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

- The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Branch. The Branch has decided not to early adopt any of the new and amended pronouncements. The Branch's assessment of the new and amended pronouncements that are relevant to the Branch but applicable in future reporting periods is set out below:
- AASB 9: Financial Instruments (December 2010) and 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] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

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 characteristics 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.

The Branch has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements.

**Notes to the Financial Statements  
for the Year Ended 30 June 2012 (cont'd)**

**1. Summary of Significant Accounting Policies (cont'd)**

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

- AASB 1053: Applications 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.

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

Management believes that the Branch qualifies for the reduced disclosure requirements for Tier 2 entities. However, it is yet to determine whether to adopt the reduced disclosure requirements.

- 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 and incorporates Interpretation 121: Income Taxes – Recovery of Revalued Non-Depreciable Assets into AASB 112.

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 are not expected to significantly impact the Branch.

- AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interest in Other Entities, AASB 127: Separate Financial Statements (August 2011), AASB 128: Investments in Associates and Joint Ventures (August 2011) and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17] (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces parts of AASB 127: Consolidated and Separate Financial Statements (March 2008, as amended) and Interpretation 112: Consolidation – Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. The Branch has not yet been able to reasonably estimate the impact of this Standard on its financial statements.

**Notes to the Financial Statements  
for the Year Ended 30 June 2012 (cont'd)**

**1. Summary of Significant Accounting Policies (cont'd)**

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

AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either 'joint operations' (whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or 'joint ventures' (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the "special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the Branch.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the Branch.

- AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132] (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurements.

AASB 13 requires:

- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) measured at fair value.

These Standards are not expected to significantly impact the Branch.

- AASB 2011-9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] (applicable for annual reporting periods commencing on or after 1 July 2012).

The main change arising from this Standard is the requirement for entities to branch items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the Branch.

**Notes to the Financial Statements  
for the Year Ended 30 June 2012 (cont'd)**

**1. Summary of Significant Accounting Policies (cont'd)**

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

- AASB 119: Employee Benefits (September 2011) and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011-8 and Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The Branch does not have any defined benefit plans and so is not impacted by the amendment.

AASB 119 (September 2011) also includes changes to:

- require only those benefits that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service to be classified as short-term employee benefits. All other employee benefits are to be classified as other long-term employee benefits, post-employment benefits or termination benefits, as appropriate; and
- the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:
  - (i) for an offer that may be withdrawn – when the employee accepts;
  - (ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
  - (iii) where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and if earlier than the first two conditions – when the related restructuring costs are recognised.

The Branch has not yet been able to reasonably estimate the impact of these changes to AASB 119.

**Notes to the Financial Statements  
for the Year Ended 30 June 2012 (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 2012 (cont'd)**

	2012 \$	2011 \$
<b>NOTE 2: REVENUE</b>		
Operating activities:		
Membership income	1,085,340	1,083,800
Advertising & sponsorship	105,821	36,222
Training income	829,463	230,106
Functions	365,458	195,893
CCF Bulletins	39,510	6,055
Short courses	43,015	148,590
Daily inspection procedure sales	60,750	63,570
Commission received	5,326	1,881
IMS System	39,020	36,074
Workplace reform	10,250	42,665
Plant assessments	440	(76)
Investment income	21,897	42,320
DCA costs recovered	-	22,070
Piling Federation Management Fees	62,790	60,195
Other income	41,891	27,691
Sundry Income	31,753	-
<b>Total Revenue</b>	<b>2,742,724</b>	<b>1,997,056</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 to expense	500	21,673
Provision for doubtful debts	19,600	19,282
	<b>20,100</b>	<b>40,955</b>
<b>b. Auditor's Remuneration</b>		
Auditor's remuneration	8,900	8,750
	<b>8,900</b>	<b>8,750</b>
<b>c. Operating Leases</b>		
Photocopier charges	16,978	17,439
Rent	137,440	157,712
Telephone and fax	-	8,751
	<b>154,418</b>	<b>183,902</b>
<b>d. Depreciation and Amortisation</b>		
Plant and equipment	14,285	18,627
Motor vehicles	30,268	26,227
	<b>44,553</b>	<b>44,854</b>

**Notes to the Financial Statements  
for the Year Ended 30 June 2012 (Cont'd)**

	2012 \$	2011 \$
<b>NOTE 3: SURPLUS FROM ORDINARY ACTIVITIES (CONT)</b>		
<b>e. Compulsory Levy</b>		
National office levy	103,300	100,000

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

**f. Employee related expenses**

Salaries	987,249	853,430
Superannuation	83,244	72,250
Employee benefits	26,357	(34,554)
Payroll tax	32,543	49,062
Training and recruitment	151,771	28,056
	<u>1,281,164</u>	<u>968,244</u>

**NOTE 4: CASH AND CASH EQUIVALENTS**

**Current**

Cash on hand	3,140	1,340
Cash at bank	434,822	215,611
Short-term bank deposits	111,300	110,200
	<u>549,262</u>	<u>327,151</u>

The weighted average interest rate for cash as at 30 June 2012 is 5.50% (2011, 6.90%)

**NOTE 5: TRADE AND OTHER RECEIVABLES**

**a. Current**

Trade debtors - CCF (National Office)	21,041	19,250
- others	549,830	258,218
	<u>570,871</u>	<u>277,468</u>
Less: Provision for doubtful debts	(25,888)	(78,282)
	<u>544,983</u>	<u>199,186</u>
Sundry debtors	-	6,140
	<u>544,983</u>	<u>205,326</u>

**b. Terms and Conditions**

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

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**

**Current**

Prepayments	5,257	6,684
Stock on Hand	4,863	2,624
	<u>10,120</u>	<u>9,308</u>

**Notes to the Financial Statements  
for the Year Ended 30 June 2012 (Cont'd)**

	2012 \$	2011 \$
<b>NOTE 7: FINANCIAL ASSETS</b>		
<b>a. Non-Current</b>		
Shares in unlisted company – at Branch Board 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	210,554	141,418
Less: Accumulated depreciation	(45,748)	(33,983)
	<u>164,806</u>	<u>107,435</u>
Office furniture and equipment – at cost	214,169	188,834
Less: Accumulated depreciation	(183,029)	(168,744)
	<u>31,140</u>	<u>20,090</u>
Total plant and equipment – net book value	<u>195,946</u>	<u>127,525</u>

**Reconciliation of movements in plant and equipment**

**Motor vehicle – at cost**

Carrying amount at beginning of the year	107,435	73,358
Additions	95,368	82,799
Disposals	(7,729)	(22,495)
Depreciation expense	(30,268)	(26,227)
Carrying amount at end of the year	<u>164,806</u>	<u>107,435</u>

**Furniture and equipment**

Carrying amount at beginning of the year	20,090	37,274
Additions	25,335	1,443
Depreciation expense	(14,285)	(18,627)
Carrying amount at end of the year	<u>31,140</u>	<u>20,090</u>

**Notes to the Financial Statements  
for the Year Ended 30 June 2012 (cont'd)**

	2012 \$	2011 \$
<b>NOTE 9: TRADE AND OTHER PAYABLES</b>		
<b>a. Current</b>		
Deferred income	534,223	122,727
Creditors and accruals	329,891	217,467
Sundry creditors	-	15,632
	864,114	355,826

**b. Terms and Conditions**

Deferred income relates to cash receipts for membership fees, training and advertising revenue received for the 2013 financial year.

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**

<b>a. Current</b>		
Provisions for annual leave	53,136	26,779
<b>b. Non-Current</b>		
Provisions for long service leave	-	-
<b>c. Aggregate employee entitlement liability</b>		
	53,136	26,779
<b>d. Number of employees at year-end</b>		
	12	7

**NOTE 11: BORROWINGS**

<b>a. Current</b>		
Hire Purchase Liability	21,587	-
<b>b. Non-Current</b>		
Hire Purchase Liability	69,763	-

Hire purchase liabilities are secured by the assets they are financing.

**Notes to the Financial Statements  
for the Year Ended 30 June 2012 (cont'd)**

**NOTE 12: 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 2012.

**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 2012, 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:

	2012 \$	2011 \$
<b>Change in profit/(loss)</b>		
Increase in interest rate by 1%	4,547	3,258
Decrease in interest rate by 1%	(4,547)	(3,258)
<b>Change in equity</b>		
Increase in interest rate by 1%	4,547	3,258
Decrease in interest rate by 1%	(4,547)	(3,258)

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 2012 (cont'd)**

**NOTE 12: FINANCIAL RISK MANAGEMENT**

**iv. 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			Total
				1 to 5 years \$	Over 5 years \$	Non Interest Bearing \$	\$
<b>30 June 2012</b>							
<b>Assets:</b>							
Cash	5.50	546,122	-	-	-	3,140	549,262
Trade and Sundry Debtors		-	-	-	-	544,983	544,983
		546,122	-	-	-	548,123	1,094,245
<b>Liabilities:</b>							
Sundry Creditors & Other Liabilities		-	-	-	-	(864,114)	(864,114)
Borrowings		-	(21,587)	(69,763)	-	-	(91,350)
		-	(21,587)	(69,763)	-	(864,114)	(955,464)
Net financial assets		546,122	(21,587)	(69,763)	-	(315,991)	138,781
<b>30 June 2011</b>							
Total financial assets	6.90	325,811	-	-	-	206,666	532,477
Total financial liabilities		-	-	-	-	(355,826)	(355,826)
Net financial assets		325,811	-	-	-	(149,160)	176,651

**v. 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 2012 (Cont'd)**

**NOTE 13: RELATED PARTIES**

**a. NSW Branch Board members**

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

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 and Mark Schultz.

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. No officeholder received any other remuneration during the year, or accrued an employee entitlement

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

David Castledine - Chief Executive Officer  
Robyn Herdman – Manager Workforce Support

In the current year, there were 1.7 full time equivalent staff (2011 : 4.0 full time equivalent staff).

c. Key Management Personnel Remuneration	2012 \$			2011 \$		
	Salaries \$	Super- annuation \$	Total \$	Salaries \$	Super- annuation \$	Total \$
Total Compensation	271,315	23,334	294,649	447,142	37,425	484,567

**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 \$21,041 (2011: \$19,250 per Note 5(a)) was receivable from the CCF National Office and an amount of \$26,245 was payable to CCF National Office. An amount of \$103,300 (2011: \$100,000) 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 2012 (Cont'd)**

	2012 \$	2011 \$
<b>NOTE 14: CASH FLOW INFORMATION</b>		
<b>a. Reconciliation of Cash</b>		
Cash on hand	3,140	1,340
Cash at bank	434,822	215,611
Call deposit	111,300	110,200
	549,262	327,151
<b>b. Reconciliation of surplus from ordinary activities after income tax to net cash provided by operating activities</b>		
Operating surplus after income tax	5,006	(111,328)
<b>Add/(Less) items classified as investing/financing activities</b>		
- Loss on disposal of non current assets	456	(2,050)
<b>Non-cash flows in surplus/(deficit) from ordinary activities</b>		
- Depreciation and amortisation	44,553	44,854
- Doubtful debts provision	(52,394)	19,282
<b>Changes in assets and liabilities</b>		
Decrease/(Increase) in receivables	(287,263)	(163,398)
Decrease/(Increase) in other assets	(812)	(4,169)
(Decrease)/Increase in deferred income	411,496	(163,572)
(Decrease)/Increase in creditors and accruals	96,792	71,341
(Decrease)/Increase in provisions	26,357	(34,554)
	244,191	(343,594)

**c. Credit Facility**

The federation has a business card credit facility of \$50,000. The facility is required to be clear at the end of each month. At 30 June 2012, the available facility was \$50,000.



**Notes to the Financial Statements  
for the Year Ended 30 June 2012 (Cont'd)**

	2012 \$	2011 \$
<b>NOTE 15: 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	160,417	167,621
- between 12 months and five years	-	161,682
	160,417	329,303

**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 \$141,700 plus outgoings 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 16: 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 17: CONTINGENT LIABILITIES**

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

**NOTE 18: 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 19: 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 2012 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*

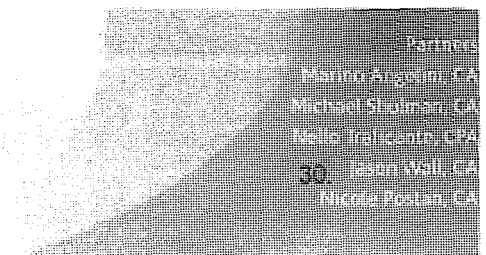
The NSW Branch Board of the Federation is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and Part 3 of Chapter 8 of Schedule 1 of the *Fair Work (Registered Organisations) 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 Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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 2012 and its performance for the year ended on that date and complies with Australian Accounting Standards (including 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.

  
**STANNARDS ACCOUNTANTS & ADVISORS**

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

Dated in Melbourne 21/8/12

**CIVIL CONTRACTORS FEDERATION  
NEW SOUTH WALES BRANCH  
(CCFNSW)**

**AUDIT  
FOR THE YEAR  
ENDED 30 JUNE 2012**

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## 1. INTRODUCTION

### 1.1 Purpose of Report

We have completed our interim and final balance date audits of CCFNSW for the year ended 30 June 2012. This report sets out a summary of our findings.

### 1.2 Scope of Review

In undertaking our audit this year, our principal procedures included:

- a review of the internal control environment adopted by CCFNSW;
- reconciliation of CCFNSW's divisional results (as reported in the 30 June 2012 management accounts) to source documentation;
- a comparison of results reported in the current period to those of prior periods, aimed at identifying unusual or significant trends;
- a review of major balance sheet account reconciliations prepared by management, aimed at identifying unusual or long standing reconciling items; and
- a search for unrecorded liabilities.

Significant matters arising from our review are set in Section 2 of this report.

It should however be noted, on the basis of the procedures outlined above, we have no reason to believe that CCFNSW's results from operations (as summarised below) for the year ended 30 June 2012 and its financial position at that date are not reasonably stated. Further, we shall be in a position to sign CCFNSW's accounts, once they have been approved by the Committee of Management of CCFNSW.

Set out below are the profits/(losses) generated by CCFNSW this year.

#### Results From Operations

	<i>Profit after Tax</i> <i>30 June 2012</i> <i>\$000</i>	<i>Profit after Tax</i> <i>30 June 2011</i> <i>\$000</i>
Membership Income	1,085	1,084
Training Fees	829	230
Meeting & Social Functions	365	195
Short Courses	43	149
Other Income	389	340
Gross Revenue	2,711	1,998
Employee Costs	(1,281)	(968)
Other Costs	(1,425)	(1,141)
<b>Net Profit</b>	<b>5</b>	<b>(111)</b>

The overall result of CCFNSW this year has improved considerably vis-à-vis the 2011 year. Revenue has increased during the year, particularly training fees due to the efforts of the organisation to broaden its revenue base. The capacity of CCFNSW to generate positive returns is dependent upon its capacity into the future, to maintain and moreover grow membership levels, further develop its training base and deliver relevant and appropriate services to its members. At 30 June 2012, CCFNSW had cash reserves of \$0.55 million and net assets of \$0.30 million.



## 2. SIGNIFICANT MATTERS

As a result of our audit procedures, we have identified a number of significant matters that are detailed below for the Committee of Management's information.

### 2.1 Reconciliations Review

The major asset and liabilities of CCFNSW comprise cash, investments, receivables, accounts payable, employee entitlements and prepaid income. A summary of our findings from our review of reconciliations of those accounts at 30 June 2012 is as follows:–

<b>Balance Sheet Account</b>	<b>CCFNSW</b>
Cash at Bank	X
Investments	X
Receivables	X ①
Accounts Payable	X
Employee Entitlements	X
Prepaid Income	X

X *Reconciliation adequately completed at 30 June 2012 – no long standing or unreconcilable items exist.*

① Refer section 2.4 below.

### 2.2 Adoption of Australian Equivalents to AIFRS

As a result of the harmonization in 2006 of Australian Accounting Standards to International Financial Reporting Standards (AIFRS), CCFNSW's financial reports have been prepared in accordance with those standards (to the extent they are applicable to the entity). We believe the financial reports also comply in full with the Fair Work (Registered Organisations) Act 2009.

### 2.3 Prepaid Income

Given that CCFNSW's activities result in certain income being received, but not earned prior to balance date, consistent with prior periods, the net income generated from the same relating to the 2012/13 year has been deferred and will be recognised in the profit/(loss) in the next financial year (ie. 2013). This accounting practice is appropriate and prudent.

### 2.4 Trade Receivables

As at 30 June 2012, trade receivables amounted to \$0.571 million. We have been able to confirm that this amount is materially correct, by reference to accounting reports generated at the National Accounting Office in Queensland and at CCFNSW. We believe appropriate provision for non-collectable debtors has been made.



## **2.5 Investment Strategy**

In keeping with good corporate governance, we again recommend that CCFNSW formally document an investment strategy, which pays due regard to its benchmark investment returns and cashflow needs. We would be pleased to assist with the development of such a strategy, and/or recommend CCFNSW pay due regard to the CCF Group strategy, when the latter is approved and implemented.

## **2.6 Special Audit**

During the 2012 year, we conducted two special reviews (December 2011 and July 2012) of CCFNSW's payroll and personal reimbursement systems. We confirm that all recommendations in our special review reports have been actioned. We recommend that further assessment be undertaken of these areas and/or other internal control and member service areas throughout the 2012/13 financial year in keeping with good corporate governance.

## **2.7 Phase 1 and Phase 2 Audit Report**

In our Phase 1 and Phase 2 audit report, we noted that:-

- a detailed Accounting Policies and Procedures Manual which clearly documents how MYOB EXO is used does not exist. We understand that this is being addressed and a complete manual will soon be available.
- a conflict of duties exists given CCFNSW current accounting processes/procedures. The current resources and experience levels, preclude a conflict being avoided. Close management review of financial performance of CCFNSW minimises this risk; and
- CCFNSW is yet to complete preparation and testing of a Disaster Recovery Plan (DRP) in respect of its EDP facilities. During the year, CCFNSW's IT facilities have been subject to upgrade. We shall reassess the DRP during our next audit visit.

All other matters noted during our Phase 1 and Phase 2 audit procedures have been addressed adequately by CCFNSW

## **2.8 Other Matters**

On the basis of our audit procedures, we did not become aware of any other significant matters which we believe would have a material impact on CCFNSW's results from operations for the year ended 30 June 2012 and its financial position at that date. Further, we did not become aware of any significant deficiencies in CCFNSW's accounting systems and internal controls (based upon our audit procedures) – refer to our previously issued interim report.

We would be pleased to discuss the contents of this report in further detail at your earliest convenience.

## **3. GENERAL**

- 3.1 In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party other than CCFNSW in respect of this report, including any errors or omissions therein, arising through negligence or otherwise however caused.
- 3.2 This report is not to be used for any purpose other than those specified herein, nor may extracts or quotations be made without our express pre-written approval.


## **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 22<sup>nd</sup> August 2012 and
- that the full report was presented to a general meeting of members of the reporting unit on 12<sup>th</sup> September 2012; in accordance with section 266 of the RO Act.

Signature:

A handwritten signature in black ink, appearing to read 'John Wade', with a horizontal line underneath the name.

Date: 13<sup>th</sup> September 2012