



28 October 2014

John Wade
President
Civil Contractors Federation, NSW Branch
Unit 11/9 Hoyle Avenue
Castle Hill NSW 2154

via e-mail: ccfnsw@civilcontractors.com

Dear Mr Wade

**Civil Contractors Federation, NSW Branch
Financial Report for the year ended 30 June 2014 - FR2014/160**

I acknowledge receipt of the financial report for the year ended 30 June 2014 for the Civil Contractors Federation, NSW Branch. The financial report was lodged with the Fair Work Commission (FWC) on 18 September 2014.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

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

Disclosure of audit fees

Australian Accounting Standard *AASB 1054 Australian Additional Disclosures* paragraph 10 requires the financial statements to separately disclose amounts paid to the auditor for the audit or review of the financial statements and for all other services performed.

Note 3(b) discloses auditor's remuneration but does not break this down to fees for 'review of financial statements' and 'other services performed'. It should be noted that if any of the audit fee relates to other services performed, then a description of the nature of the other services must be provided (refer to *AASB 1054* paragraph 11).

Activities under Reporting Guidelines not disclosed

Item 13 of the RG states that if the activities identified in item 12 has not occurred in the reporting period, a statement to this effect must be included in the notes to the GPFR. I note that for the following item no such disclosure has been made:

- 12 - acquired an asset or liability due to an amalgamation under Part 2 of Chapter 3, a restructure of the branches of an organisation, a determination or revocation by the General Manager

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7675 or by email at ken.morgan@fwc.gov.au

Yours sincerely

A handwritten signature in black ink, appearing to read 'K. Morgan', with a stylized flourish at the end.

Ken Morgan
Financial Reporting Advisor
Regulatory Compliance Branch



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RE: 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 the 15th August 2014 and
- that the full report was presented to a general meeting of members of the reporting unit on the 8th September 2014; in accordance with section 266 of the RO Act.

Signature:

A handwritten signature in black ink that reads 'John Wade'.

Date:

18th September 2014

Civil Contractors Federation
NSW Branch

ABN 55 645 813 882

Financial Report for the
Year Ended
30 JUNE 2014





Operating Report

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 and maintenance contractors in New South Wales, providing professional services, information and advice including industrial relations advice, dispute resolution, training (civil, business, workplace 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 maintenance and business trade.

Results of principal activities s254(2)(a)

The Branch's principal activities resulted in a profit of \$97,693 (2013 loss: \$ 285,469)

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

With NSW embarking on a major infrastructure rebuilding program, the Branch has also continued service provision in workplace training and competency assessments to meet industry's current and future need for skilled personnel.

The Branch has ardently advocated for Members and the industry, including in business areas relating to infrastructure planning, procurement, skills, industrial relations, workplace health and safety and injury management/workers compensation.

Membership communications through the NSW Bulletin and e-bulletins, member forums, functions, conferences and publications sales has been significant throughout the year.

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 of the reporting unit [to the best of my knowledge] holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme



where the criterion for holding such position is that they are an officer or member of an organisation.

Number of Members *reg 159(a)*

The number of persons who, at the end of the financial year, were recorded on the Register of members was: 350 full members and 96 associate members.

Number of Employees *reg 159(b)*

The number of persons who were, at the end of the financial year, employees of the NSW Branch of the Federation was 11.

NSW Branch Board Members *reg 159(c)*

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

John Wade –

Branch President (01.07.13 to 30.06.14)

- Chair of Combined Executive, Audit and Compliance, Member Service and Government Relations Committee

Mick Boyle –

Branch Vice-President (01.07.13 to 30.06.14)

- Member of Combined Executive, Audit and Compliance, Member Service and Government Relations Committee
- National Board Member

Glenn Cherrie – (Life Member)

Branch Board Member (01.07.13 to 30.06.14)

- Board Member of Beaconsfield Press

Robert Antoun –

Branch Board Member (01.07.13 to 30.06.14)

Stuart Ford –

Branch Treasurer (01.07.13 to 30.6.2014)

- Chair of Industrial Relations and HR Committee
- Member of Combined Executive, Audit and Compliance, Member Service and Government Relations Committee

Paul Burton –

Branch Board Member (01.07.13 to 18.09.13)

Glenn Fordham –

Branch Board Member (01.07.13 to 21.08.13, reappointed on 16.04.14 to 30.06.14)

Tom Brady –

Branch Board Member (01.07.13 to 30.06.14)

- Chair of Regional Engagement Committee

Karl Waeger –

Branch Board Member (01.07.13 to 18.09.13)

Mark Schultz –

Branch Board Member (01.07.13 to 30.06.14)



Lee Fahey –

Branch Board Member (01.07.13 to 30.06.14)

- Chair of Safety, Demolition and Environment Committee

Scott Olsen –

Branch Board Member (01.07.13 to 18.09.13)

- Chair of Workplace Health and Safety Committee

Craig Smith –

Branch Board Member (01.07.13 to 30.06.14)

- Chair of Contracts and Procurement Committee

Michael Fitzgerald –

Branch Board Member (18.09.13 to 30.06.14)

- Chair of Skills and Workforce Development Committee

Robert Dahan –

Branch Board Member (18.09.13 to 30.06.14)

- Chair of Women in Civil Construction Committee
- Alternate National Board Member

Officers & employees who are directors of a company or a member of a board

Details of officers and employees, who are directors of a company or a member of a board, are as follows:

Name of Officeholder	Name of Company or Board	Position Held	Principal Activity of Company or Board	Position Held because officer or employee of the Branch or nominated by the Branch or Peak Council
Glenn Cherrie	Ward Civil & Environmental Engineering Pty Ltd (NSW Branch Member)	Shareholder and Managing Director	Training Membership and Services	No
Lee Fahey	Menai Civil Contractors Pty Ltd	Owner/Director	Training Membership and Services	No
Glenn Fordham	TJ & RF Fordham Pty Ltd	Shareholder & Director	Training Membership and Services	No
Mick Boyle	Abergeldie Complex Infrastructure Pty Ltd	Share ownership & director	Training Membership and Services	No
	Sustainable Business Australia	Board Member		No
	Sydney University Civil Engineering Foundation	Foundation Governor		No
	ASM Fabrications Pty Ltd	Share ownership & Director		No



Officers & employees who are directors of a company or a member of a board (cont'd)

Name of Officeholder	Name of Company or Board	Position Held	Principal Activity of Company or Board	Position Held because officer or employee of the Branch or nominated by the Branch or Peak Council
Robert Dahan	Mainland Civil Holdings Pty Ltd	Indirect shareholder	Training Membership and Services	No
Mark Schultz	MP Schultz Pty Ltd	Director	Training Membership and Services	No
David Castledine	Work Options	No material interest. Indirect shareholder		No
	Registered Charity "Gut Foundation"	Council (Board) member		No
	Building and Construction Industry Long Service Payments Committee	Committee Member		Yes
	Cfocus Pty Ltd	Director and Shareholder		No
Stuart Ford	Ford Civil Contracting Pty Ltd	Director	Training Membership and Services	No
John Wade	Wade Civil Engineering Pty Ltd	Managing Director and shareholder	Training Membership and Services	No
	Building and Construction Industry Long Service Payments Committee	CCF Alternate Committee Member		Yes
Tom Brady	Brefni Excavation & Earthmoving Pty Ltd	Managing Director	Training Membership and Services	No
Michael Fitzgerald	Talis Civil Pty Ltd	Owner	Training Membership and Services	No
Robert Antoun	Antoun Civil Engineering Pty Ltd	Managing Director	Training Membership and Services	No
Craig Smith	BMD Constructions Pty Ltd NSW/ACT	General Manager	Membership and Training services	No



Manner of resignation

Members may resign from the Branch 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 Branch by written notice addressed and delivered to the Chief Executive Officer (National).
- (b) A notice of resignation from membership of the Branch takes effect:
 - (i) at the end of two weeks after the notice is received by the Branch; 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 Branch in relation to a period before the Member's resignation from the Branch took effect, may be sued for and recovered in the name of the Branch, in a court of competent jurisdiction, as a debt due to the Branch.
- (d) A notice of resignation that has been received by the Branch 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 Branch is valid even if it is not affected in accordance with this section if the Member is informed in writing by or on behalf of the Branch that the resignation has been accepted.

John Wade
NSW President

Dated in Sydney this 14th day of August 2014



NSW Committee of Management Statement

On, Tuesday 12th August 2014 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 2014:

The NSW Branch declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Reporting Guidelines of the General Manager of FWC and Australian Accounting Standards;
- (b) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (c) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (d) during the financial year to which the general purpose financial report 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;
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned;
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009, and the Fair Work (Registered Organisations) Regulations 2009;
 - (iv) the information sought in any request of a member of the reporting unit or the General Manager of FWC duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager of FWC;
 - (v) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation;
 - (vi) no requests were received from any member of the reporting unit or a General Manager of FWC for information under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - (vii) there have been no orders for inspection of financial records made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period; and
- (e) in relation to recovery of wage activity, there has been no recovery of wage activities during the year.

For the NSW Branch Board (Committee of Management):

John Wade
NSW President

Dated in Sydney this 14th day of August 2014



Auditor's Independence Declaration



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 2014 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 and Advisors Pty Ltd
Level 1, 60 Toorak Road, South Yarra VIC 3141

Michael Shulman
Partner (Registered Company Auditor: 183888)
Holder of Current Public Practice Certificate
Approved Auditor (FWC Act and Regulations)

Dated: 14th August 2014

Stannards Accountants and Advisors Pty Ltd
A.C.N. 006 857 441
Postal: PO Box 581, South Yarra, Vic 3141
Level 1, 60 Toorak Road, South Yarra, Vic 3141
Tel: (03) 9867 4133 Fax: (03) 9867 5118
Email: advisors@stannards.com.au

stannards.com.au

Stannards Accountants and Advisors Pty Ltd is a member of the Professional Standards Institute.

Partners
Marino Angelini, CA
Michael Shulman, CA
Netto Traficante, CPA
Jason Wall, CA
Nicole Postan, CA
Peter Angelini, CA



Statement of Profit and Loss

	Note	2014 \$	2013 \$
Revenues	2	2,261,783	2,516,516
Employee expenses	3f	(1,148,992)	(1,379,926)
Depreciation and amortisation	3d	(56,233)	(58,364)
Bad and doubtful debts	3a	(5,000)	-
Merchant fees and bank charges		(5,836)	(8,027)
National Levy	3e	(116,641)	(107,700)
Rental expenses		(66,413)	(81,484)
Functions, seminars and conference costs		(284,944)	(287,629)
Training costs		(61,998)	(237,036)
Communication costs		(33,235)	(41,092)
Travelling expenses		(14,688)	(25,279)
CCF Bulletin and Year Book expenses		(18,071)	(37,396)
Other expenses from ordinary activities	3g	(352,039)	(538,052)
Profit / (Loss) from ordinary activities before income tax expense		97,693	(285,469)
Income tax expense	1a	-	-
Net profit / (loss) from ordinary activities after income tax expense attributable to the Federation		97,693	(285,469)



Statement of Comprehensive Income

	2014 \$	2013 \$
Surplus/ (Loss) for the period	97,693	(285,469)
Other Comprehensive Income for the period	-	-
Total comprehensive Income for the period	97,693	(285,469)
Total comprehensive Income attributable to members of the organisation	97,693	(285,469)



Statement of Financial Position

	Note	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		1,802,979	2,593,846
Receipts from National Office		5,510	45,586
Receipts from Victoria Branch		4,318	3,025
Interest received		15,868	20,584
Payments to CCF National Office – Levy charge		(116,641)	(107,000)
Payments to CCF National Office – Sundry Charges		(31,582)	(37,671)
Payments to CCF Victoria Branch		(28,140)	(18,785)
Payments to CCF South Australia Branch		(470)	-
Payments to ACT Branch		-	-
Payments to suppliers and employees		(1,810,506)	(2,362,544)
Net cash provided by operating activities	15b	(158,664)	137,041
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(69,780)	(22,934)
Proceeds from sale of plant and equipment		-	21,482
Net cash (used in) investing activities		(69,780)	(1,452)
CASH FLOWS FROM FINANCING ACTIVITIES			
Borrowings		23,532	(443)
Net cash (used in) financing activities		23,532	(443)
Net (decrease)/increase in cash held		(204,912)	135,146
Cash at the beginning of the financial year		684,408	549,262
Cash at the end of the financial year	15a	479,496	684,408



Statement of Changes in Member's Fund

	2014 \$	2013 \$
Balance at beginning of financial year	18,742	304,211
Surplus / (Loss) attributable to members	97,693	(285,469)
Balance at end of financial year	116,435	18,742



Statement of Cash Flow

	Note	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		1,802,979	2,593,846
Receipts from National Office		5,510	45,586
Receipts from Victoria Branch		4,318	3,025
Interest received		15,868	20,584
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Payments to CCF Victoria Branch		(28,140)	(18,785)
Payments to CCF South Australia Branch		(470)	-
Payments to ACT Branch		-	-
Payments to suppliers and employees		(1,810,506)	(2,362,544)
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Net (decrease)/increase in cash held		(204,912)	135,146
Cash at the beginning of the financial year		684,408	549,262
Cash at the end of the financial year	15a	479,496	684,408



Notes to the Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial report covers Civil Contractors 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.

Basis of Preparation

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

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

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets.

Cost is based on fair values of consideration given in exchange for assets.

The accounting policies set out below have been consistently applied, unless otherwise stated.

Accounting Policies

a. Income Tax

The 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, net of bank overdrafts.

c. Plant and Equipment

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

Cost and valuation

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 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 been discounted to present value in determining recoverable amounts.



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

c. Plant and Equipment (cont'd)

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:

	2014	2013
Office, furniture and equipment	20%- 33%	20%- 33%
Motor vehicles	20%	20%

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

The assets' carrying value is written down immediately to recoverable amount if the carrying amount is greater than 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 Statement of Profit and Loss.

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 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 Statement of Profit and Loss.

e. Employee Benefits

Short-term employee benefits

Provision is made for the Branch's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and vesting sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Branch's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.



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

e. Employee Benefits (cont'd)

Long-term employee benefits

Provision is made for employee's long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Branch's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Branch does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

No provision is made for sick leave as there is no vested liability to pay for accumulated leave and the sick leave to be taken in future reporting periods is not expected to be greater than entitlements which are expected to accrue in those periods.

Superannuation

Contributions are made by the Branch to employee superannuation funds and are expensed when incurred. The Branch is not obliged to contribute to these funds other than to meet its liabilities under the superannuation guarantee system and is under no obligation to make up any shortfall in the funds' assets to meet payments due to employees.

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 Branch are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the 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 reduce the liability.



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, and is included in receivables and payables in the Statement of Financial Position.

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. Any contribution received in advance for the next period is included in deferred income.

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 Branch is incorporated under the Fair Work (Registered Organisations) Act 2009 and domiciled in Australia.

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

k. Fair Value of Assets and Liabilities

The Branch measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Branch would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.



k. Fair Value of Assets and Liabilities (cont'd)

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statement.

l. Capitation Fees

These fees are recognised on an accruals basis, and recorded as an expense in the year to which they relate.

m. Critical Accounting Estimates and Judgements

The Board evaluates estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Branch.

Key Estimates – Impairment

The Board assesses impairment on each reporting date by evaluating conditions specific to the Branch that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

No impairment has been recognised in respect of any assets for the year ended 30 June 2014, except as stated in this report.

Key Judgements - Doubtful Debts Provision

The Board have assessed each debtor and have estimated no provision for doubtful debts is required except as disclosed at Note 5. The Board believes that the full amount of the remaining debtors are recoverable.



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

n. New Accounting Standards for Application in Future Periods

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Branch, together with an assessment of the potential impact of such pronouncements on the Branch when adopted in future periods, are discussed below:

- AASB 9: Financial Instruments and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2017).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes made to the Standard that may affect the Branch on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of AASB 9, the application of such accounting would be largely prospective.

Although the Branch anticipates that the adoption of AASB 9 may have an impact on the Branch's financial instruments, including hedging activity, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 2012-3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities (applicable to annual reporting periods commencing on or after 1 January 2014).

This Standard provides clarifying guidance relating to the offsetting of financial instruments, which is not expected to impact the Branch's financial statements.

- Interpretation 21: Levies (applicable for annual reporting periods commencing on or after 1 January 2014).

Interpretation 21 clarifies the circumstances under which a liability to pay a levy imposed by a government should be recognised, and whether that liability should be recognised in full at a specific date or progressively over a period of time. This Interpretation is not expected to significantly impact the Branch's financial statements.

- AASB 2013-3: Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets (applicable for annual reporting periods commencing on or after 1 January 2014).

This Standard amends the disclosure requirements in AASB 136: Impairment of Assets pertaining to the use of fair value in impairment assessment and is not expected to significantly impact the Branch's financial statements.



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

n. New Accounting Standards for Application in Future Periods

- AASB 2013-4: *Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting* (applicable for annual reporting periods commencing on or after 1 January 2014).

AASB 2013-4 makes amendments to AASB 139: *Financial Instruments: Recognition and Measurement* to permit the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. This Standard is not expected to significantly impact the Branch's financial statements.

- AASB 2013-5: *Amendments to Australian Accounting Standards – Investment Entities* (applicable for annual reporting periods commencing on or after 1 January 2014).

AASB 2013-5 amends AASB 10: *Consolidated Financial Statements* to define an "investment entity" and requires, with limited exceptions, that the subsidiaries of such entities be accounted for at fair value through profit or loss in accordance with AASB 9 and not be consolidated. Additional disclosures are also required. As the Branch does not meet the definition of an investment entity, this Standard is not expected to impact the Branch's financial statements.

o. Information to be provided to Members or General Manager of FWC

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

- (1) A Member of an organisation, or the General Manager of FWC, may apply to the organisation for specified prescribed information in relation to the organisation 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 organisation.
- (3) An organisation must comply with an application made under subsection (1).

p. Going Concern

The Directors believe based on forecasts for the 2015 year, that a going concern basis of accounting is appropriate.



	2014 \$	2013 \$
NOTE 2: REVENUE		
Operating activities:		
Membership income (Subscriptions)	1,168,798	1,258,769
Advertising & sponsorship	112,323	96,140
Training income	339,300	449,682
Functions	404,473	401,541
CCF Bulletins	31,857	33,922
Short courses	11,310	40,290
Daily inspection procedure sales	58,283	56,982
Commission received	25,339	5,496
IMS System	35,643	39,355
Workplace reform	-	8,075
Investment income	15,868	20,584
Piling Federation Management Fees	0	32,108
Consulting Fees	1,860	-
Other income	53,723	64,402
Sundry Income	3,006	9,170
Capitation Fees	-	-
Compulsory and Voluntary Levies	-	-
Donations / Grants	-	-
Financial Support (Branches)	-	-
Total Revenue	2,261,783	2,516,516
NOTE 3: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
The operating profit/(loss) of the Branch before income tax expense has been determined after:		
a. Bad and Doubtful Debts		
Bad debts written off to expense	-	-
Provision for doubtful debts	5,000	-
	5,000	-
b. Auditor's Remuneration		
Auditor's remuneration	9,300	10,000
	9,300	10,000
c. Operating Leases		
Photocopier charges	7,329	10,587
Rent	29,795	81,484
	37,124	92,071
d. Depreciation and Amortisation		
Plant and equipment	21,493	16,868
Motor vehicles	34,740	41,496
	56,233	58,364
e. Levy		
National office levy	116,641	107,700

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



	2014 \$	2013 \$
NOTE 3: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
f. Employee related expenses		
Salaries	949,085	1,126,353
Superannuation	80,129	97,034
Employee benefits	5,324	60,915
Payroll tax	53,400	71,104
Training and recruitment	61,054	24,520
	1,148,992	1,379,926
g. Other expenses		
Study Tour	2,528	13,553
Affiliation Fees	-	-
Auditor's Remuneration	9,300	10,000
Attendance Allowance / Fee – Meetings & Conferences	1,950	6,500
Donations / Grants	-	-
Public Relations	51	45,809
Accountancy Fees	56,565	50,608
IT support	12,409	11,471
Motor vehicle expenses	61,734	72,768
Legal costs – Litigation	-	-
Legal Costs – Consultation (Other Matters)	3,507	3,857
Sponsorship	-	1,500
Subscriptions – Political Parties etc	-	-
Subscriptions	3,916	3,907
Forgiveness of Loans	-	-
Penalties – via FW(RO) Act or Regulations	-	-
Consideration to Employers Making Payroll Deductions	-	-
Sundry	200,079	318,079
	352,039	538,052
NOTE 4: CASH AND CASH EQUIVALENTS		
Current		
Cash on hand	500	500
Cash at bank	424,296	592,608
Short-term bank deposits	54,700	91,300
	479,496	684,408
The weighted average interest rate for cash as at 30 June 2014 is 1.85% (2013: 2.11%)		
NOTE 5: TRADE AND OTHER RECEIVABLES		
a. Current		
Trade debtors	1,728,371	1,297,333
Less: Provision for doubtful debts	(16,563)	(16,102)
	1,711,808	1,281,231
Sundry debtors	1,020	3,489
	1,712,828	1,284,720

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 related parties are outlined at Note 14f.

Sundry debtors are non-interest bearing and unsecured.



	2014 \$	2013 \$
NOTE 6: OTHER CURRENT ASSETS		
Current		
Prepayments and Security Deposits	39,108	5,668
Stock on Hand	690	804
	39,798	6,472
NOTE 7: FINANCIAL ASSETS		
a. Non-Current		
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	173,685	173,685
Less: Accumulated depreciation	(86,362)	(51,622)
	87,323	122,063
Office furniture and equipment – at cost	155,250	216,577
Less: Accumulated depreciation	(90,161)	(199,775)
	65,089	16,802
Total plant and equipment – net book value	152,412	138,865
Reconciliation of movements in plant and equipment		
Motor vehicle – at cost		
Carrying amount at beginning of the year	122,063	164,806
Additions	-	19,109
Disposals	-	(20,356)
Depreciation expense	(34,740)	(41,496)
Carrying amount at end of the year	87,323	122,063
Furniture and equipment		
Carrying amount at beginning of the year	16,802	31,140
Additions	69,780	3,825
Disposals	-	(1,295)
Depreciation expense	(21,493)	(16,868)
Carrying amount at end of the year	65,089	16,802



	2014 \$	2012 \$
NOTE 9: TRADE AND OTHER PAYABLES		
a. Current		
Deferred income	1,779,292	1,598,012
Creditors and accruals	319,602	356,688
	2,098,894	1,954,700

b. Terms and Conditions

Deferred income relates to cash receipts for membership fees, training and advertising revenue received for the 2015 year and project funding received for 2015 and beyond.

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	67,266	62,616
b. Non-Current		
Provisions for long service leave	-	-
c. Aggregate employee entitlement liability		
	67,266	62,616
d. Number of employees at year-end		
	11	10

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	2014 \$	2013 \$	2014 \$	2013 \$	2014 \$	2013 \$
Officeholders	-	-	-	-	-	-
Other Staff	67,266	62,616	-	-	67,266	62,616
Total	67,266	62,616	-	-	67,266	62,616

There are no provisions for separation and redundancy or other provisions for officeholders or other employees (2013: \$nil)

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Branch does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Branch does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.



NOTE 11: EMPLOYEE BENEFITS

	Elected Officials (Office holders)		Employees (other than Elected Officials)		Total	
	2014	2013	2014	2013	2014	2013
Employee benefits paid/accrued during the year	\$	\$	\$	\$	\$	\$
Wages and Salaries	-	-	949,085	1,110,777	949,085	1,110,777
Annual Leave and Long Service Leave	-	-	5,324	60,915	5,324	60,915
Redundancy Payments	-	-	-	15,576	-	15,576
Superannuation	-	-	80,129	97,034	80,129	97,034
Other Employee Expenses	-	-	114,454	95,624	114,454	95,624
Total	-	-	1,148,992	1,379,926	1,148,992	1,379,926

	2014 \$	2012 \$
OTE 12: BORROWINGS		
Current		
Hire Purchase Liability	68,330	26,720
Non-Current		
Hire Purchase Liability	46,109	64,187

c. Terms and Conditions

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

NOTE 13: FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

The Branch's financial instruments consist mainly of deposits with banks, short term investments, accounts receivable and payable, and investments in an unlisted company.
The Branch does not have any derivative instruments at 30 June 2014.

i. Terms, Conditions and Accounting Policies

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

ii. Treasury Risk Management

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

Liquidity risk

The Branch manages this risk by monitoring its credit terms on trade debtors

Interest rate risk

The Branch has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.



NOTE 13: FINANCIAL RISK MANAGEMENT (cont'd)

As at 30 June 2014, 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:

	2014 \$	2013 \$
Change in profit/(loss)		
Increase in interest rate by 1%	3,646	5,930
Decrease in interest rate by 1%	(3,646)	(5,930)
Change in equity		
Increase in interest rate by 1%	3,646	5,930
Decrease in interest rate by 1%	(3,646)	(5,930)

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 Branch 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 Branch is not materially exposed to any individual credit risk.

iv. Interest Rate Risk

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

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	1 year or less \$	Fixed Interest Rate Maturities			Total \$
				1 to 5 years \$	Over 5 years \$	Non Interest Bearing \$	
30 June 2014							
Assets:							
Cash	1.85	478,996	-	-	-	500	479,496
Trade and Sundry Debtors		-	-	-	-	1,752,626	1,752,626
		478,996	-	-	-	1,753,126	2,232,122
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	2,098,894	2,098,894
Borrowings	6.5	-	68,330	46,109	-	-	114,439
		-	(68,330)	(46,109)	-	(2,098,894)	(2,213,333)
Net financial assets		478,996	(68,330)	(46,109)	-	(345,768)	18,789
30 June 2013							
Total financial assets	2.11	683,908	-	-	-	1,285,220	1,969,128
Total financial liabilities	6.7	-	(26,720)	(64,187)	-	(1,954,700)	(2,045,607)
Net financial assets		683,908	(26,720)	(64,187)	-	(669,480)	(76,479)

v. New 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



NOTE 14: 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, Mick Boyle, Tom Brady, Paul Burton, Glenn Cherrie, Stuart Ford, Glenn Fordham, Lee Fahey, Scott Olsen, Craig Smith, John Wade, Karl Waeger, Robert Dahan, Michael Fitzgerald and Mark Schultz.

The President received a stipend of \$650 per meeting, which ceased in September 2013. No officeholder received any other remuneration during the year, or accrued an employee entitlement. No termination benefit or share based payments were received.

The officeholders received no 'non cash' benefits (2013: \$nil). No officeholder of the Branch during the year and/or the prior year declared any material personal interest in a matter that he/she has or did acquire, or a relative of the officeholder has or did acquire. Personal interests and directorships are disclosed in the Operating Report.

No officeholder or officer of the Branch (this year or last year) received any remuneration because they were a member of, or held position with a Board or other organisation because:-

- i) The officeholder held such a position with the Board or other organisation only because they were an officeholder of the Branch; or
- ii) They were nominated for the position by the Branch; or
- iii) They received remuneration from any third party, in connection with the performance of their duties as an officeholder of the Branch.

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

David Castledine - Chief Executive Officer
 Raul Baonza – Compliance Support Officer – People Issues
 Roland Ford – Manager Workforce Support (until July 2013)
 Anthony Shoebridge – Manager Workforce Support (September 2013 to June 2014)

In the current year, there were 8.3 full time equivalent staff (2013: 12.5 full time equivalent staff).

c. Key Management Personnel Remuneration	2014 \$			2013 \$		
	Salaries \$	Super-annuation \$	Total \$	Salaries \$	Super-annuation \$	Total \$
Total Compensation	416,519	34,702	451,221	426,371	32,191	458,562

d. Annual Leave and Long Service Leave Accrued for Key Management Personnel During the Year	2014 \$			2013 \$		
	Annual Leave \$	Long Service Leave \$	Total \$	Annual Leave \$	Long Service Leave \$	Total \$
Total Leave Provision	6,407	-	6,407	8,995	-	8,995



e. Transactions with National Office, Branches and Related Entities

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

Levy Payment	2014	2013
During the year, the NSW Branch paid to the National Office a per capita payment calculated in accordance with the rules.	116,641	107,000

f. Related Party balances at year end

Amounts receivable/(payable) at reporting date – Federal office and other branches	2014	2013
National Office	(9,846)	(8,139)
South Australia Branch	-	-
ACT Branch	-	-
CCF CMS Unit	(4,977)	1,953
	<u>(14,823)</u>	<u>(7,185)</u>

Balance Reconciliation- related entities

National Office		
Carrying amount at beginning of the year	(8,139)	(5,204)
Levy charge	(116,641)	(107,700)
Sundry charges	(31,005)	(22,209)
Sundry income	3,226	27,889
Receipts	(5,510)	(45,586)
Payment made	148,223	144,671
Carrying amount at end of the year	<u>(9,846)</u>	<u>(8,139)</u>

South Australia Branch		
Carrying amount at beginning of the year	-	-
Sundry Charges	(470)	-
Sundry Income	-	-
Receipts	-	-
Payment made	470	-
Carrying amount at end of the year	<u>-</u>	<u>-</u>

ACT Branch		
Carrying amount at beginning of the year	-	-
Sundry Charges	-	-
Sundry Income	-	-
Receipts	-	-
Payment made	-	-
Carrying amount at end of the year	<u>-</u>	<u>-</u>

CMS Unit		
Carrying amount at beginning of the year	1,953	(66)
Sundry Charges	(33,970)	(18,719)
Sundry Income	3,218	4,978
Receipts	(4,318)	(3,025)
Payment made	28,140	18,785
Carrying amount at end of the year	<u>(4,977)</u>	<u>1,953</u>



	2014 \$	2013 \$
NOTE 15: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash on hand	500	500
Cash at bank	424,296	592,608
Call deposit	54,700	91,300
	479,496	684,408
b. Reconciliation of profit / (loss) from ordinary activities after income tax to net cash provided by operating activities		
Operating profit / (loss) after income tax	97,693	(285,469)
Add/(Less) items classified as investing/financing activities		
- Loss on disposal of non current assets	-	169
Non-cash flows in profit/(loss) from ordinary activities		
- Depreciation and amortisation	56,233	58,364
- Doubtful debts provision	5,000	(9,786)
Changes in assets and liabilities		
Decrease/(Increase) in receivables	(433,108)	143,036
Decrease/(Increase) in other assets	(33,326)	3,648
(Decrease)/Increase in deferred income	181,280	190,802
(Decrease)/Increase in creditors and accruals	(37,086)	26,797
(Decrease)/Increase in provisions	4,650	9,480
Net cash provided by operating activities	(158,664)	137,041

c. Credit Facility

The Branch 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 2014, the available facility was \$50,000.



	2014 \$	2013 \$
NOTE 16: OPERATING COMMITMENTS		
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
- not later than 12 months	89,316	29,016
- between 12 months and five years	288,773	-
	378,089	29,016

a. Office

An operating lease agreement was commenced on 23 September 2013 for a period from September 2013 to September 2018 with Essential Fire Superannuation Pty Ltd on the use of the premise situated at 11/9 Hoyle Avenue, Castle Hill. The current rent is \$82,000 per annum plus GST, subject to an annual rent review with an fixed increase of 3% or CPI, whichever is higher. An amount of \$25,575 was paid as bond.

NOTE 17: EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances have occurred since the end of the financial year which significantly affect, or may significantly affect, the operations of the Branch, the results of those operations or the state of affairs of the Branch in future financial years, other than the Branch is relocating to new premises.

NOTE 18: FAIR VALUE MEASUREMENT

The Branch measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- freehold land and buildings.

The Branch does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.



NOTE 18: FAIR VALUE MEASUREMENT (cont'd)

a. Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Branch selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Branch are consistent with one or more of the following valuation approaches:-

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.



NOTE 18: FAIR VALUE MEASUREMENT (cont'd)

The following tables provide the fair values of the Branch's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation with the fair value hierarchy.

Note	30 June 2014			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Available for sales assets	-	12,500	-	12,500
Total financial assets recognised at fair value	-	12,500	-	12,500
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

Note	30 June 2013			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Available for sales assets	-	12,500	-	12,500
Total financial assets recognised at fair value	-	12,500	-	12,500
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

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

Description	Fair Value at 30 June 2014 & 30 June 2013 \$	Valuation Technique(s)	Inputs Used
<i>Financial assets</i>			
Financial assets at fair value through future cash flow:	12,500	Market approach: valuation techniques that reflect prices and other relevant information generated by market transactions for identical or similar assets	Market price per share, market borrowing date
	12,500		



NOTE 18: FAIR VALUE MEASUREMENT (cont'd)

c. Disclosed Fair Value Measurements

The following assets and liabilities are not measured at fair value in the statement of financial position, but their fair values are disclosed in the notes:-

- accounts receivable and other debtors;
- accounts payable and other payables; and
- hire purchase liability.

The following table provides the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used:

Description	Fair Value at Hierarchy Level	Valuation Technique(s)	Inputs Used
<i>Assets</i>			
Accounts receivable and other debtors	3	Income approach using discounted cash flow methodology	Market interest rates for similar assets
<i>Liabilities</i>			
Accounts payable and other payables	3	Income approach using discounted cash flow methodology	Market interest rates for similar assets
Hire purchase liabilities	2	Income approach using discounted cash flow methodology	Current commercial borrowing rates for similar instruments

NOTE 19: CONTINGENT LIABILITIES

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

NOTE 20: ECONOMIC DEPENDENCY

The Branch 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 21: OTHER DISCLOSURES

The Branch did not receive financial support from any other reporting unit during the year. Except as disclosed in the Statement of Profit and Loss, there were no expenses in connection with holding meetings of members of the Branch and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the Branch was wholly or partly responsible.

There were no payables to employers as consideration for the employers making payroll deductions of membership subscriptions at reporting date.

Included in trade payables is \$nil (2013: \$10,900) payable for legal costs (all relating to consultation).



NOTE 21: BRANCH DETAILS

The registered office and the principal place of business of the Branch is:
Civil Contractors Federation (NSW Branch)
Unit 11
9 Hoyle Avenue
Castle Hill NSW 2154



Auditor's Report



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

To the Members of Civil Contractors Branch – NSW Branch

Scope

The financial report and Committee of management responsibility

The financial report comprises the Committee of Management Statement, Statement of Profit and Loss, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement, and accompanying notes to the financial statements for the Civil Contractors Branch (NSW Branch) for the year ended 30 June 2014 set out on pages 6 to 33.

The NSW Branch Board of the Branch is responsible for the preparation and true and fair presentation of the financial report in accordance with Australian Accounting Standards, the Reporting Guidelines of the General Manager of FWC and other mandatory financial reporting requirements in Australia. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the NSW Branch. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with Australian Accounting Standards, the Reporting Guidelines of the General Manager of FWC and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Branch's financial position, and of its performance as represented by the results of its operations and cash flows.

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

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

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

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Peter Angelini, CA



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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, under the Fair Work (Registered Organisations) Act 2009, the general purpose financial report is presented fairly in accordance with any of the following that apply in relation to the reporting unit:

- a. Australian Accounting Standards, and Australian Accounting interpretations;
- b. in relation to recovery of wages activity;
 - (i) that the scope of the audit encompassed recovery of wages activity;
 - (ii) that the financial statements and notes and recovery of wages activity fairly report all information required by the reporting guidelines of General Manager of FWC, including:
 - 1. Any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity, and
 - 2. Any donations or other contributions deducted from recovered money, and
- c. Any other requirements imposed by these Reporting Guidelines or the Fair Work (Registered Organisations) Act 2009.

In our opinion, there were kept by the organisation satisfactory accounting records detailing the source and nature of all income and the nature of all expenditure.

As part of our audit of the organisation for the year ended 30 June 2014, we are of the opinion that management's use of the going concern basis of accounting in the preparation of its financial statements is appropriate.

Stannards Accountants and Advisors Pty Ltd

MB Shulman
Registered Company Auditor (163885)
Holder of Current Public Practice Certificate
Approved Auditor (FWC Act and Regulations)

Dated this 14th day of August 2014

Stannards Accountants and Advisors Pty Ltd
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CCF (NSW Branch) Remuneration Report

Pursuant to the rules and the FWC Legislation, the Committee of Management makes the following disclosure for the year ended 30 June 2014:-

The President received a stipend of \$650 per meeting (\$1,950 in total for the year), which was ceased in September 2013. No remuneration was received by any other officeholder in connection with them holding office this year at CCF (NSW Branch) or as a member of a Board where such position is held because the officer is an officer of the Branch or was nominated for the position by the Branch or a peak council.



CCF (NSW Branch) Personal Interests

Pursuant to the rules, the Committee of Management confirms that no officer of the Branch held any personal interest in a matter that the officer has or acquired, or a relative of the officer has or acquired that relates to the affairs of the Branch, except as disclosed in the annual financial report.