



31 January 2019

Chief Executive Officer
Northern Territory Branch
Civil Contractors Federation

Sent by email

Dear Sir

Re: – Financial reporting – Civil Contractors Federation, Northern Territory Branch - for year ending 30 June 2018 (FR2018/239)

I refer to the financial report of the Northern Territory Branch of the Civil Contractors Federation in respect of the year ending 30 June 2018. The documents were lodged with the Registered Organisations Commission ('the ROC') on 14 December 2018.

The financial report has been filed. The financial report was filed based on a primary review. This involved confirming whether the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements. Please note that the next report may be subject to an advanced review.

You are not required to take any further action in respect of the report lodged. However I make the following comments to assist when preparing the next report.

Reports must be provided to members at least 21 days before general meeting

Under section 265(5)(a) of the RO Act, where the report is presented to a general meeting of members, the report must be provided to members at least 21 days before that meeting. The designated officer's certificate stated that the financial report was provided to members on 28 August 2018, and presented to a general meeting of members on 30 August 2018. This means the reporting unit only provided members the financial report 2 days before the general meeting.

I received advice today explaining the circumstances of the shorter provision period.

Documents must be lodged with ROC within 14 days after general meeting

Section 268 of the RO Act requires a copy of the full report and the designated officer's certificate to be lodged with the ROC within 14 days after the general meeting of members referred to in section 266. The designated officer's certificate indicated that this meeting occurred on 30 August 2018. This means the documents should have been lodged with the ROC by 13 September 2018.

I received advice today explaining the circumstances of the delay in lodgement.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial

statements to assist in complying with the RO Act, the s.253 Reporting Guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

Yours faithfully

A handwritten signature in black ink, appearing to read 'Stephen Kellett', with a long horizontal stroke extending to the right.

Stephen Kellett
Financial Reporting
Registered Organisations Commission

Civil Contractors Federation Northern Territory Branch

s.268 Fair Work (Registered Organisations) Act 2009

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER¹

Certificate for the year ended 30 June 2018

I Ian Hinchliffe being the President of the Civil Contractors Federation Northern Territory Branch certify:

- that the documents lodged herewith are copies of the full report for the *Civil contractors Federation Northern Territory Branch* for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on *28/08/2018* and
- that the full report was presented to a *general meeting of members* of the reporting unit on *Thursday 30th August* in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



Ian Hinchliffe

President

Civil Contractors Federation NT Branch

Dated: 14/12/18

¹ Regulation 162 of the *Fair Work (Registered Organisations) Regulations 2009* defines a 'prescribed designated officer' of a reporting unit for the purposes of s.268(c) as:
(a) the secretary; or
(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

**CIVIL CONTRACTORS FEDERATION
(NT BRANCH)**

ABN 82 550 580 543

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 June 2018**

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Operating Report for the Year Ended 30 June 2018

The Committee of Management presents its operating report on Civil Contractors Federation Northern Territory (CCF NT) for the year ended 30 June 2018.

PRINCIPAL ACTIVITIES S254(2)(A)

The principal activities of the Branch during the financial year were to represent the interests of civil contractors and the general public in the Northern Territory. This representation included:

- Strong advocacy for the civil sector on the local and national front, to ensure critical enabling infrastructure throughout the Northern Territory receives appropriate and ongoing investment;
- Holding the Northern Territory government accountable to its budgeted infrastructure programs;
- Working with the NT government and other key organisations (local govt, Power and Water etc) to create a more transparent and equitable procurement process for the civil sector;
- Local content – create an equitable and auditable local content rating system;
- Advocating for changes to the Australian government's Indigenous Procurement Policy;
- Clarification of specifications, drawings and associated technical information for civil projects;
- Eliminating unnecessary duplication, processes and documentation associated with project delivery;
- Advice and direction on meeting industry training and development needs and fulfilling government apprentice training contract conditions;
- Publication of the Territory e newsletter and information bulletins as required;
- Industry updates on government legislation, regulations and initiatives.

RESULTS OF PRINCIPAL ACTIVITIES S254(2)(A)

The Branch's principal activity – advocacy - resulted in a close and cooperative relationship with a number of NT Government agencies. Strong relationships were developed between the civil sector and the Department of Infrastructure, Planning and Logistics and the Department of Trade, Business and Innovation.

CCFNT met regularly with the Deputy Chief Minister, Treasurer and Minister for Infrastructure, Planning and Logistics, as well as Chief Executives and senior executives and departmental staff in the key agencies related to construction, infrastructure, business, training and employment.

The Branch represented the civil construction sector on the peak industry advisory panels to the NT Government for training, employment and workforce development through the Advisory Board of ISACNT.

The Branch made representations on road and infrastructure priority investment projects for consideration for inclusion in Territory and Federal Budget processes.

CCFNT made submissions to the NT government's revenue and taxation review, 10-year infrastructure review as well as standard specifications for road works and maintenance and the Commonwealth's Indigenous Procurement Policy.

CCFNT is working closely with CCFSa to ensure the design and delivery of training packages are appropriate for the continued development of the NT's civil sector by further developing the capability and capacity of Civil Train NT (previously Civil Train SA).

In consolidating its leadership role in the civil and roads construction sectors, the branch is closely aligned with the NT Road Transport Association, the Extractive Industries Association NT and the Traffic Management Association of Australia, along with other key Territory transport and infrastructure stakeholders.

**Operating Report
for the Year Ended 30 June 2018 (cont'd)**

Results of principal activities (cont'd)

As a member of the NT Business Council, CCFNT is able to contribute to the direction and focus of the advocacy role of a number of industry based representative organisations for the betterment of the civil sector in the Northern Territory. Business council members include the Chamber of Commerce, Master Builders Association, Minerals Council, NT Cattleman's Association, NT Farmers Association, NT Seafood Council, Extractive Industry Association and the Road Transport Association.

CCFNT was able to effectively lobby for increased focus and budgetary priority of infrastructure projects throughout the Northern Territory.

The Branch did not acquire an asset or liability during the financial year as a result of amalgamation under Part 2 of Chapter 3 of the Fair Work (Registered Organisations) Act, a restructure of the branches of an organisation, and/or a determination or revocation by the Commissioner, Registered Organisations Commission

The CCF Group is currently undertaking a restructure wherein the branches (including CCF NT), will transfer their net operating assets to newly established companies limited by guarantee, for no consideration. It is envisaged the companies limited by guarantee will continue to be controlled by the branch executive / members, and that the state branches will ultimately be wound up. This is expected to occur prior to the end of the next financial year. The organisation's registration with the Fair Work Commission will remain.

SIGNIFICANT CHANGES IN NATURE OF PRINCIPAL ACTIVITIES S254(2)(A)

There were no significant changes in the nature of the Branch's principal activities during the financial year.

SIGNIFICANT CHANGES IN FEDERATION'S FINANCIAL AFFAIRS S254(2)(B)

No matters or circumstances arose during the reporting year which significantly affected the financial affairs of the Branch.

OFFICERS OR MEMBERS WHO ARE SUPERANNUATION FUND TRUSTEE(S) OR DIRECTOR OF A COMPANY THAT IS A SUPERANNUATION FUND TRUSTEE WHERE BEING A MEMBER OR OFFICER OF A REGISTERED ORGANISATION IS A CRITERION FOR THEM HOLDING SUCH POSITION S254(2)(D)

No officers and members hold positions 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 the Branch.

NUMBER OF MEMBERS RO reg 159(a)

The number of persons who, at the end of the financial year, were recorded on the Register of members was: 33 Members and 31 Associate Members. At the end of the previous financial year there were 36 Members and 42 Associate Members.

NUMBER OF EMPLOYEES RO reg 159(b)

The number of persons who were, at the end of the financial year, employees of the Northern Territory Branch of the Federation was 1. The branch also has 1 contractor (2017: 1).

**Operating Report
for the Year Ended 30 June 2018 (cont'd)**
COMMITTEE OF MANAGEMENT MEMBERS (BOARD) RO reg 159(c)

The persons who held office as members of the Committee/Board of Management of the Northern Territory Branch during the financial year were:

Name	Position	Status
Ian Hinchliffe	President	1-9-2017 to 30-6-2018
Scott Chapman	President	1-7-2017 to 31-8-2017
Mark Wilkes	Vice President	1-9-2017 to 30-6-2018
Ian Hinchliffe	Vice President	1-7-2017 to 31-8-2017
Patrick Coleman	Honorary Treasurer	1-7-2017 to 30-6-2018
Michael Cull	Board Member National Rep	1-7-2017 to 30-6-2018
Michael Bellis	Board Member	1-7-2017 to 30-6-2018
Anthony Hillier	Board Member	1-7-2017 to 30-6-2018
Dennis McDonald	Board Member	1-7-2017 to 30-6-2018
Samuel Sage	Board Member	1-7-2017 to 30-6-2018
Jacob Skewes	Board Member	1-7-2017 to 30-6-2018
Mark Wilkes	Board Member	1-7-2017 to 30-6-2018
John Klaas	Board Member	1-7-2017 to 30-6-2018

**Operating Report
for the Year Ended 30 June 2018 (cont'd)**

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.
- (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 delivered to the person mentioned in subrule (1) shall be taken to have been received by the Branch when it was delivered.
- (e) 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 effected 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."

Signature of designated officer: I. Hinchliff

Name and title of designated officer: IAN HINCHLIFF (PRESIDENT)

Dated: 13/8/18

NT Branch Committee of Management Statement for the Year Ended 30 June 2018

On, 13/8/2018 the Civil Contractors Federation (NT Branch) Committee of Management passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2018:

The Committee of Management 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 any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (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; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management 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 the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) in relation to recovery of wage activity, there has been no recovery of wage activities during the year.

This declaration is made in accordance with a resolution of the Committee of Management.

Signature of designated officer: I. H. [Signature]

Name and title of designated officer: IAN HULLHUFFE (PRESIDENT)

Dated: 13/8/18.

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE COMMITTEE OF MANAGEMENT OF THE
CIVIL CONTRACTORS FEDERATION – NT BRANCH**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2018, 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



MB Shulman
Registered Company Auditor (163888)
Holder of Current Public Practice Certificate
Approved Auditor (FWC Act and Regulations – AA2018/45)

Dated: 13 August 2018

Expenditure Report For the Year ended 30 June 2018

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2018.

	Note	2018 \$	2017 \$
CATEGORIES OF EXPENDITURE			
Remuneration and other employment-related costs and expenses - employees		56,154	43,271
Advertising		1,323	500
Operating Costs		217,759	275,916
Donations to Political Parties		-	-
Legal Costs		-	-
Total		275,236	319,687

Signature of designated officer: I. Hinchliffe

Name and title of designated officer: IAN HINCHLIFFE (PRESIDENT)

**Statement of Profit or Loss
for the Year Ended 30 June 2018**

	Note	2018 \$	2017 \$
Revenue	3	349,218	372,289
Employee expenses	10	(56,154)	(43,271)
Depreciation	4c	(1,383)	(1,308)
Bad and doubtful debts	4a	-	-
Accounting and audit fees	4b	(2,100)	(600)
Merchant fees and bank charges		(802)	(976)
National Levy	4e	(16,500)	(16,500)
Functions, seminars and conference costs		(81,305)	(86,483)
Training awards		-	(2,250)
Consultant costs		(3,333)	144
Contracting Fees		(90,830)	(140,000)
Travelling expenses		(4,898)	(3,140)
Member Services		(282)	(250)
Other expenses from ordinary activities	4d	(17,649)	(25,053)
Profit / (loss) from ordinary activities before income tax expense		73,982	52,602
Income tax expense	1a	-	-
Profit / (loss) from ordinary activities after income tax expense attributable to the Branch		73,982	52,602

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income
for the Year Ended 30 June 2018**

	2018 \$	2017 \$
Profit / (loss) for the period	73,982	52,602
Other Comprehensive Income for the period		
Total Comprehensive Income for the period	73,982	52,602
Total Comprehensive Income attributable to members of the organisation	73,982	52,602

The accompanying notes form part of the financial statements

**Statement of Financial Position
as at 30 June 2018**

	Note	2018 \$	2017 \$
CURRENT ASSETS			
Cash and cash equivalents	5	406,411	307,008
Trade and other receivables	6	134,658	32,632
TOTAL CURRENT ASSETS		541,069	339,640
NON-CURRENT ASSETS			
Plant and equipment	7	1,064	1,575
TOTAL NON-CURRENT ASSETS		1,064	1,575
TOTAL ASSETS		542,133	341,215
CURRENT LIABILITIES			
Trade and other payables	8	141,497	19,631
Provisions	9	5,070	-
TOTAL CURRENT LIABILITIES		146,567	19,631
TOTAL LIABILITIES		395,566	19,631
NET ASSETS		395,566	321,584
MEMBERS' FUNDS			
Accumulated Surplus		395,566	321,584
TOTAL MEMBERS' FUNDS		395,566	321,584

The accompanying notes form part of the financial statements

**Statement of Changes in Members' Funds
for the Year Ended 30 June 2018**

	\$
Balance as at 1 July 2016	268,982
Profit /(Loss) attributable to members	52,602
Balance at 30 June 2017	321,584
	\$
Balance as at 1 July 2017	321,584
Profit /(Loss) attributable to members	73,982
Balance at 30 June 2018	395,566

The accompanying notes form part of the financial statements

**Statement of Cash Flows
for the Year ended 30 June 2018**

	Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		247,402	443,891
Receipts from related entities		75	16,543
Payments to suppliers and employees		(126,321)	(409,614)
Payments to related entities		(21,903)	(19,633)
Interest received		1,741	2,183
Net cash provided by operating activities	14b	100,994	33,370
CASH FLOW FROM INVESTING ACTIVITIES			
Plant and Equipment Acquired		(1,591)	-
Net Cash (Used) in Investing Activities		(1,591)	-
Net (decrease)/increase in cash held		99,403	33,370
Cash at the beginning of the financial year		307,008	273,638
Cash at the end of the financial year	14a	406,411	307,008

The accompanying notes form part of the financial statements

Notes to the Financial Statements for the Year Ended 30 June 2018

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Civil Contractors Federation (NT Branch) is a 'not for profit' entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

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

Prior Year Comparatives

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

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. Financial Instruments

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

Subsequent to the initial recognition, the Committee of Management assess whether there is objective evidence that a financial instrument has been impaired. A prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen, impairment losses are recognised in the Statement of Profit and Loss.

**Notes to the Financial Statements
for the Year Ended 30 June 2018 (cont'd)**

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

d. 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.

e. Trade and other Receivables

Trade and other receivable are recognised initially at fair value and are generally due for settlement within 30 days.

The collectability of debts is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivable is established when there is objective evidence that the Branch will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognised in the income statement as an expense.

f. Trade and other Payables

Trade payables and other accounts payable are recognised when the Branch becomes obliged to make future payments resulting from the purchase of goods and services. Trade accounts payable are normally settled within 30 days.

g. 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 made reduce the liability.

h. 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.

**Notes to the Financial Statements
for the Year Ended 30 June 2018 (cont'd)**

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

i. 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.

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 the Northern Territory, 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 Australian Capital Territory.

k. Critical Accounting Estimates and Judgements

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

Key Estimates – Impairment

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

No impairment has been recognised in respect of any assets for the year ended 30 June 2018.

Key Judgements - Doubtful Debts Provision

The Committee of Management have assessed each debtor and have estimated a provision for doubtful debts amounting to \$nil (2017: nil). The Committee of Management believes that the full amount of the remaining debtors is recoverable.

**Notes to the Financial Statements
for the Year Ended 30 June 2018 (cont'd)**

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

l. 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 (i.e. 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.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. 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 (i.e. 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.

m. Capitation Fees

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

**Notes to the Financial Statements
for the Year Ended 30 June 2018 (cont'd)**

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

n. New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the entity. The Committee of Management have decided not to early adopt any of the new and amended pronouncements. Their assessment of the pronouncements that are relevant to the entity but applicable in future reporting periods is set out below:

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

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 that may affect the entity on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, 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 the Standard, the application of such accounting would be largely prospective.

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

- AASB 2014-7: *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)*.

AASB 2014-7: (issued December 2014) gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issue of AASB 9: *Financial Instruments (December 2014)*. More significantly, additional disclosure requirements have been added to AASB 7: *Financial Instruments: Disclosure regarding credit risk exposures of the entity*. This Standard also makes various editorial corrections to Australian Accounting Standards and an Interpretation.

AASB 2014-7 mandatorily applies to annual reporting periods beginning on or after 1 January 2018. Earlier application is permitted, provided AASB 9 (December 2014) is applied for the same period.

- AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

**Notes to the Financial Statements
for the Year Ended 30 June 2018 (cont'd)**

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

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

The main changes introduced by the new Standard are as follows:

- new lessee accounting requirements for leases at significantly below-market terms and conditions (commonly known as “peppercorn leases”) principally to enable the lessee to further its objectives. This requires the lessee to recognise the leased asset / right-of-use asset at fair value per AASB 13, the lease liability per AASB 117/AASB 16 and the residual as income (after related amounts) at the inception of the lease per AASB 1058;
- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
- inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Although the Committee of Management anticipates that the adoption of AASB 16 will impact the entity's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 1058: *Income of Not-for-Profit Entities* (applicable to annual reporting periods beginning on or after 1 January 2019).

This Standard is applicable when an entity receives volunteer services or enters into other transactions where the consideration to acquire the asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives.

The significant accounting requirements of AASB 1058 are as follows:

- Income arising from an excess of the initial carrying amount of an asset over the related amount being contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.
- Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards. Income must be recognised in profit or loss when the entity satisfies its obligations under the transfer.

Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

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

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

A private sector not-for-profit entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. Recognised volunteer services should be measured at fair value and any excess over the related amounts (such as contributions by owners or revenue) immediately recognised as income in profit or loss.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented in accordance with AASB 108 (subject to certain practical expedients); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract or transaction for which the entity has recognised all of the income in accordance with AASB 1004: *Contributions*.

Although the Committee of Management anticipates that the adoption of AASB 1058 may have an impact on the entity's financial statements, it is impractical at this stage to provide a reasonable estimate of such impact.

- AASB 2016-8: *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities*.

AASB 2016-8 (issued December 2016) inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9: *Financial Instruments* and AASB 15: *Revenue from Contracts with Customers* as a consequence of AASB 1058: *Income of Not-for-Profit Entities* (refer to [1-0900]).

AASB 2016-8 mandatorily applies to annual reporting periods beginning on or after 1 January 2019. Earlier application is permitted, provided AASB 1058 is applied for the same period.

This pronouncement is not expected to impact the Branch.

o. Information to be provided to Members or Commissioner, Registered Organisations Commission

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 Commissioner, Registered Organisations Commission, 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).

NOTE 2: FUND ANALYSIS

For the financial year ended 30 June 2018, there was no applicable fund or account operated in respect of compulsory levies, voluntary contributions or required by the rules of the Branch; and - there was no transfer and/or withdrawal from a fund, account, asset or controlled entity which is kept for a specific purpose.

Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

	2018 \$	2017 \$
NOTE 3: REVENUE		
Operating activities:		
Membership Income (Subscriptions)	105,410	112,800
Associate Membership Fees	47,310	56,000
Sponsorship	35,705	30,500
Functions	52,492	68,631
Grants	106,260	102,000
SCIMS Programme	-	175
Interest Received	1,741	2,183
CCF Bulletins	-	-
Projects Income	-	-
Sundry Income	300	-
Daily Inspection Procedure Sales	-	-
Capitation Fees	-	-
Compulsory Levies and Voluntary Contributions (Other Bodies)	-	-
Donations	-	-
Financial Support (Branches)	-	-
Other Revenue Derived from Undertaking Recovery of Wager Activity	-	-
Total Revenue	349,218	372,289
NOTE 4: PROFIT FROM ORDINARY ACTIVITIES		
The operating profit of the Branch before income tax expense has been determined after:		
a. Bad and Doubtful Debts		
Bad debts written off	-	-
Provision for doubtful debts	-	-
b. Accounting and Audit Fees		
Accounting fees	-	-
Auditor's remuneration – financial statement audit	2,100	600
(Other services \$nil (2017: \$nil))	2,100	600
c. Depreciation and Amortisation		
Plant and equipment	1,383	1,308
	1,383	1,308

Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

NOTE 4: PROFIT FROM ORDINARY ACTIVITIES (cont'd)

	2018 \$	2017 \$
d. Other expenses comprise:		
Meeting expenses	1,748	3,859
Postage	361	672
Communication expenses	248	1,569
Sponsorship	-	3,000
Stationery	654	478
Insurance expenses	1,309	1,727
Other	12,610	13,748
Affiliation Fees	-	-
Donations < \$1,000	-	-
Donations > \$1,000	-	-
Grants < \$1,000	-	-
Grants > \$1,000	-	-
Legal Costs - Litigation	-	-
Legal Costs – Consultation (Other Matters)	-	-
Subscriptions – Political Parties etc.	-	-
Subscriptions	-	-
Forgiveness of Loans	-	-
Consulting Fees	-	-
Other Compulsory Levies	-	-
Electricity, Gas and Water	-	-
Loss on Asset Disposal	719	-
Penalties – via RO Act or Regulations	-	-
Consideration to Employers for Payroll Deductions of Membership Subscriptions	-	-
Attendance Allowance / Fees – Meetings & Conferences	-	-
Capitation Fees	-	-
Other Levies (Other Parties)	-	-
Other/Sundry	-	-
	17,649	25,053
e. Levy		
National office levy	16,500	16,500
	16,500	16,500

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

Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

NOTE 4: PROFIT FROM ORDINARY ACTIVITIES (cont'd)

f. Expenses – Financial Affairs Administered by Other Entities

For the financial year ended 30 June 2018, there was \$nil incurred for any financial affairs administered by other entities.

	2018 \$	2017 \$
NOTE 5: CASH AND CASH EQUIVALENTS		
Current		
Cash at bank	406,411	307,008
	<u>406,411</u>	<u>307,008</u>

The weighted average interest rate for cash as at 30 June 2018 is 2.55% (2017: 2.55%)

NOTE 6: TRADE AND OTHER RECEIVABLES

a. Current

Trade debtors	134,658	32,632
	<u>134,658</u>	<u>32,632</u>
Less: Provision for doubtful debts	-	-
	<u>134,658</u>	<u>32,632</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. No trade debtors are outside of trading terms at reporting date.

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

**Notes to the Financial Statements
for the Year Ended 30 June 2018 (cont'd)**

	2018 \$	2017 \$
NOTE 7: PLANT AND EQUIPMENT		
Plant and equipment – at cost	4,878	5,761
Less: Accumulated depreciation	(3,814)	(4,186)
	<u>1,064</u>	<u>1,575</u>
 Total plant and equipment – net book value	 <u>1,064</u>	 <u>1,575</u>
Plant and Equipment – at cost		
Carrying amount at beginning of the year	1,575	2,883
Additions	1,591	-
Disposals	(719)	-
Depreciation expense	(1,383)	(1,308)
	<u>1,064</u>	<u>1,575</u>
 Carrying amount at end of the year	 <u>1,064</u>	 <u>1,575</u>
NOTE 8: TRADE AND OTHER PAYABLES		
a. Current		
Deferred income	116,220	3,000
Trade creditors	12,412	16,631
Sundry creditors and accruals	12,865	-
	<u>141,497</u>	<u>19,631</u>

b. Terms and Conditions

Deferred income relates to cash receipts for funding received and membership fees received for the 2018/19 year and project funding received for 2018/19 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.

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

Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

	2018 \$	2017 \$
NOTE 9: PROVISIONS		
a. Current		
Provisions for annual leave	5,070	-
b. Non Current		
Provisions for long service leave	-	-
c. Aggregate employee entitlement liability	5,070	-
d. Number of employees at year-end	1	1

The number of persons who were, at the end of the financial year, employees of the Northern Territory Branch of the Federation was 1. The branch also has 1 contractor (2017: 1 employee and 1 contractor).

Of the amounts owing above, they are payable as follows: -

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	2018 \$	2017 \$	2018 \$	2017 \$	2018 \$	2017 \$
Officeholders	-	-	-	-	-	-
Other Staff	5,070	-	-	-	5,070	-
Total	5,070	-	-	-	5,070	-

	Separation and Redundancy Provisions		Other Employee Provisions		Total	
	2018 \$	2017 \$	2018 \$	2017 \$	2018 \$	2017 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	-	-	-	-	-
Total	-	-	-	-	-	-

There are no provisions for separation and redundancy or other provisions for officeholders or other employees (2017: \$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.

Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

NOTE 10: EMPLOYEE BENEFITS

Employee benefits paid/accrued during the year	Elected Officials (Office holders)		Employees (other than Elected Officials)		Total	
	2018 \$	2017 \$	2018 \$	2017 \$	2018 \$	2017 \$
Wages and Salaries	-	-	44,310	36,871	44,310	36,871
Annual Leave and Long Service Leave	-	-	-	-	-	-
Redundancy Payments	-	-	-	-	-	-
Other Employee Expenses	-	-	7,826	2,922	7,826	2,922
Superannuation	-	-	4,018	3,478	4,018	3,478
Total	-	-	56,154	43,271	56,154	43,271

No bonuses or other performance incentives, nor share-based payments, were made to office holders or employees in 2018 or 2017.

NOTE 11: 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 2018.

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 Committee of Management 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.

Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

NOTE 11: FINANCIAL RISK MANAGEMENT (cont'd)

As at 30 June 2018, 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:

	2018 \$	2017 \$
Change in profit/(loss)		
Increase in interest rate by 1%	4,064	3,070
Decrease in interest rate by 1%	(4,064)	(3,070)
Change in equity		
Increase in interest rate by 1%	4,064	3,070
Decrease in interest rate by 1%	(4,064)	(3,070)

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

NOTE 12: RELATED PARTIES

a. NT Branch Committee members

The names of the members of the NT Committee of Management who held office during the year are as follows:

Scott Chapman, Ian Hinchliffe, Patrick Coleman, Michael Cull, Michael Bellis, Anthony Hillier, Dennis McDonald, Samuel Sage, Jacob Skewes, Mark Wilkes and John Klaas.

Members of the NT Branch Committee of Management received no attendance fees during the year, nor did they accrue any entitlements.

The officeholders received no 'non cash' benefits (2017: \$nil). No officeholder of the Branch during the year and/or the prior year had any material personal interest in a matter that he/she has or did acquire, or a relative of the officeholder has or did acquire.

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 peak council because:-

- i) The officeholder held such a position with the Board or other peak council 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.

Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

NOTE 12: RELATED PARTIES (cont'd)

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

Neil Hallagan (Chief Executive Officer) – contractor resigned September 2017

Tom Harris (Chief Executive Officer) – contractor commenced September 2017

	2018 \$			2017 \$		
c. Key Management Personnel Remuneration	Short Term Benefits	Post Employment Benefits	Total	Short Term Benefits	Post Employment Benefits	Total
	\$	\$	\$	\$	\$	\$
Total Compensation	-	-	-	-	-	-

	2018 \$			2017 \$		
d. Annual Leave and Long Service Leave Accrued for Key Management Personnel at end of the Year	Annual Leave	Long Service Leave	Total	Annual Leave	Long Service Leave	Total
	\$	\$	\$	\$	\$	\$
Total Leave Provision	-	-	-	-	-	-

No termination benefits or share based payments were received, nor any performance bonuses (2017: \$nil).

Total fees from contract services provided to the Branch amounted to \$90,830 (2017: \$140,000).

Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

NOTE 12: RELATED PARTIES (cont'd)

e. Transactions with National Office, Branches and Related Entities

Entities related to NT 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	2018	2017
	\$	\$
During the year, the NT Branch paid a National capitation levy calculated in accordance with the rules.	16,500	16,500

f. Related Party balances at year end

Amounts receivable/(payable) at reporting date – Federal office and other branches	2018	2017
	\$	\$
National Office	-	(2,066)
Victoria Branch	-	83
South Australia Branch	-	(1,201)
	-	(3,184)
Balance Reconciliation- related entities		
National Office		
Carrying amount at beginning of the year	(2,066)	(2,440)
Levy payment	(16,500)	(16,500)
Sundry income	-	-
Sundry charges	(1,337)	(2,759)
Payment made	19,903	19,633
Receipts	-	-
Carrying amount at end of the year	-	(2,066)
Victoria Branch		
Carrying amount at beginning of the year	83	275
Sundry income	-	3,713
Sundry charges	(8)	-
Receipts	(75)	(3,905)
Payment made	-	-
Carrying amount at end of the year	-	83
South Australia Branch		
Carrying amount at beginning of the year	(1,201)	879
Sundry charges	-	(2,200)
Sundry income	14,322	12,758
Receipts	(15,121)	(12,638)
Payment made	2,000	-
Carrying amount at end of the year	-	(1,201)

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2018, the Civil Contractors Federation (NT Branch) has not recorded any impairment of receivables relating to amounts owed by related parties and declared persons or bodies (2017: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

NOTE 13: FINANCIAL RISK MANAGEMENT

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 \$	1 to 5 years \$	Fixed Interest Rate Maturities Over 5 years \$	Non Interest Bearing \$	Total \$
30 June 2018							
Assets:							
Cash	2.55	406,411	-	-	-	-	406,411
Trade Debtors and Other		-	-	-	-	134,658	134,658
		406,411	-	-	-	134,658	541,069
Liabilities:							
Sundry Creditors		-	-	-	-	(141,497)	(141,497)
		-	-	-	-	(141,497)	(141,497)
Net financial assets		406,411	-	-	-	(6,839)	399,572
30 June 2017							
Assets:							
Cash	2.55	307,008	-	-	-	-	307,008
Trade Debtors and Other		-	-	-	-	32,632	32,632
		307,008	-	-	-	32,632	339,640
Liabilities:							
Sundry Creditors		-	-	-	-	(19,631)	(19,631)
		-	-	-	-	(19,631)	(19,631)
Net financial assets		307,008	-	-	-	13,001	320,009

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. 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 2018 (cont'd)**

	2018 \$	2017 \$
NOTE 14: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash at bank	406,411	307,008
	406,411	307,008
b. Reconciliation of profit from ordinary activities after income tax to net cash provided by operating activities		
Operating profit / (loss) after income tax	73,982	52,602
Non-cash flows in profit/(deficit) from ordinary Activities		
- Depreciation and amortisation	1,383	1,308
Changes in assets and liabilities		
Decrease/(Increase) in receivables	(102,026)	90,328
Decrease/(Increase) in other assets	-	-
(Decrease)/Increase in payables and other creditors	121,866	(110,868)
(Decrease)/Increase in employee provisions	5,070	-
Net cash provided by operating activities	100,994	33,370

Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

	2018 \$	2017 \$
NOTE 15: OPERATING COMMITMENTS		
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalized in the financial statements:		
- not later than 12 months	-	-
- between 12 months and five years	-	-
- greater than five years	-	-

NOTE 16: 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.

a. Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categories 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.

Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

NOTE 16: FAIR VALUE MEASUREMENT (cont'd)

a. Fair Value Hierarchy (cont'd)

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 branch 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.

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

	30 June 2018			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Recurring fair value measurements				
<i>Financial assets</i>				
Financial assets at fair value through profit or loss:	-	-	-	-
Available-for-sale financial assets:	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

	30 June 2017			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Recurring fair value measurements				
<i>Financial assets</i>				
Financial assets at fair value through profit or loss:	-	-	-	-
Available-for-sale financial assets:	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

NOTE 16: FAIR VALUE MEASUREMENT (cont'd)

b. Valuation Techniques and Inputs Used to Measure Fair Values

Description	Fair Value at 30 June 2018 & 30 June 2017 \$	Valuation Technique(s)	Inputs Used
Non-financial assets		n/a	n/a
Financial assets at fair value through profit or loss:	-	n/a	n/a
Available-for-sale financial assets:	-	n/a	n/a
	-	n/a	n/a

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

**Notes to the Financial Statements
for the Year Ended 30 June 2018 (cont'd)**

NOTE 17: CONTINGENT LIABILITIES

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

NOTE 18: ECONOMIC DEPENDENCY

The Branch is economically dependent on ongoing funding in the form of membership fees, government grants and sponsorships.

NOTE 19: OTHER DISCLOSURES

The Branch did not receive financial support from any other reporting unit during the year, nor did it provide such support to any other reporting unit. 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 (at reporting date) to employers as consideration for the employers making payroll deductions of membership subscriptions at reporting date, nor were there any unpaid legal fees. (2017: \$nil).

NOTE 20: BRANCH DETAILS

The registered office and the principal place of business of the Branch is:

Civil Contractors Federation (NT Branch)
Ground Floor, Development House
76 The Esplanade, Darwin NT 0800

NOTE 21: EVENTS SUBSEQUENT TO BALANCE DATE

The CCF Group is currently undertaking a restructure wherein the branches (including CCF NT), will transfer their net operating assets to newly established companies limited by guarantee, for no consideration. It is envisaged the companies limited by guarantee will continue to be controlled by the branch executive / members, and that the branches will ultimately be wound up. This is expected to occur prior to the end of the next financial year.

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Civil Contractors Federation (NT Branch), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2018, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Civil Contractors Federation (NT Branch) as at 30 June 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the NT Branch is appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. We are independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDIT REPORT (Cont'd)

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of NT Branch is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Committee of Management is responsible for assessing NT Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate NT Branch or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the CCF NT audit. I remain solely responsible for our audit opinion.

INDEPENDENT AUDIT REPORT
(Cont'd)

We communicated with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

No revenue has been derived from undertaking recovery of wages activity during the 2018 financial year, as confirmed in the committee of management statement.



Stannards Accountants and Advisors



Michael B Shulman
Partner

Melbourne, VIC
Dated: 13 August 2018

Registered Company Auditor (163888)
Holder of Current Public Practice Certificate
Approved Auditor (FWC Act and Regulations – AA2018/45)