



FAIR WORK  
AUSTRALIA

16 November 2010

Mr Gavin Turner  
President  
Civil Contractors Federation, Queensland Branch

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

Dear Mr Turner

**Re: Financial Report for the Civil Contractors Federation, Queensland Branch for year ended 30 June 2010 – FR2010/2615**

I acknowledge receipt of correspondence dated 15 November 2010 in response to correspondence of Fair Work Australia dated 9 November 2010 in relation to the financial report for the Civil Contractors Federation, Queensland Branch (the Branch) for the year ended 30 June 2010. The correspondence was lodged with Fair Work Australia on 15 November 2010.

The financial report has now been filed.

### **Fair Work (Registered Organisations) Act 2009**

Reference to 'Schedule 1' or 'RAO Schedule of the Workplace Relations Act 1996', where appearing in the financial report should properly refer to '*Fair Work (Registered Organisations) Act 2009*'. Also, reference to the 'RAO Regulations' where appearing in the financial report should properly refer to '*Fair Work (Registered Organisations) Regulations 2009*'.

### **Notes to Financial Reports**

Notice under Section 272(5) of the *Fair Work (Registered Organisations) Act 2009*

As you are aware, the Notes to the General Purpose Financial Report are required to include a notice drawing attention to the fact that information that is prescribed by the *Fair Work (Registered Organisations) Regulations 2009* (the Regulations) is available to members on request.

The wording of section 272(5) of the *Fair Work (Registered Organisations) Act 2009* (the Act) is as follows (emphasis added):

*'(5) A general purpose financial report prepared under section 253, a concise report prepared under section 265 and a report prepared under subsection 270(4) must include a notice drawing attention to subsections (1), (2) and (3) of this section **and setting out those subsections.**'*

Would you please ensure in future that the Notes contain this extract of the Act, word for word:

*'272 Information to be provided to members or General Manager*

*(1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.*

*(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.*

*(3) A reporting unit must comply with an application made under subsection (1).*

*Note: This subsection is a civil penalty provision (see section 305).'*

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

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kevin Donnellan', with a long horizontal flourish extending to the right.

Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

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



**CIVIL CONTRACTORS  
FEDERATION**

CCF QUEENSLAND BRANCH

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15 November 2010

Mr Kevin Donnellan  
Fair Work Australia  
GPO Box 1994  
Melbourne Vic 3001

**Re: Financial Report for the Civil Contractors Federation, Queensland Branch for year ended 30 June 2010 RE: FR2010/2615**

Dear Kevin

I refer to your letter dated 9 November 2010 requesting information relating to 'other expenses'. Attached is the detail requested. This detail will be included in the notes to the financial statements in future years.

In response to your query regarding related party transactions within the notes to the financial statements of CCF National Office, the amount of \$124,505 was received by the National Office from our Branch, in relation to insurance contributions, CEO meeting reimbursements and Branch Contributions.

CCF QLD owed CCF National Office \$28,197 (30 June) and was owed \$909 as at that date.

The Branch will ensure in future the notes to the financial statements include details of all related party transactions (i.e. the note disclosure at Note 23 will be enhanced). We note there were no other material CCF related party transactions during the year.

Should you require any further information or wish to discuss this, please contact the undersigned.

Yours Sincerely

**Stephen Perkins CPA**  
Finance Manager  
07 33789480  
[sperkins@civilcontractors.com](mailto:sperkins@civilcontractors.com)

**CIVIL CONTRACTORS FEDERATION (QLD BRANCH)****2009-2010 YEAR****Other Expenses**

Advertising and Promotion	\$100,490.38
Amortisation-Leasehold Impov.	\$1,065.13
Audit and Accountancy Fees	\$12,200.00
Bank Charges	\$8,747.13
Board/Committee Meeting Costs	\$9,612.24
Cleaning	\$4,495.53
Communication Expense	\$81,797.45
Couriers and Freight	\$4,549.43
Computer Support & Maintenance	\$40,426.74
Consultancy Fees	\$44,848.52
Conferences and Seminars	\$29,163.38
Electricity	\$13,389.03
Employee Amenities	\$13,014.39
Entertainment Expense-In House	\$849.63
Entertainment Expense - FBT	\$27,054.63
FBT Expense	\$32,469.63
Insurance	\$18,822.94
Insurance - Workcover	\$3,830.12
Interest Paid	\$2,344.44
Legal Costs	\$18,677.90
Licence Fees and Memberships	\$14,231.37
Fuel	\$50,632.21
Repairs and Maintenance	\$4,843.69
Rego and Insurance	\$9,409.47
National Office Charge	\$107,999.40
Payroll Tax	\$104,206.74
Photocopier/Printer costs	\$36,054.92
Postage	\$18,537.16
Recruitment	\$19,682.34
Resource Development	\$245,796.45
Repairs and Maintenance	\$3,809.75
Subscriptions and Publications	\$7,270.23
Security	\$941.00
Stationery and Printing costs	\$29,737.95
Uniforms	\$2,491.28
Training and Prof Development	\$16,199.28
Travel and Accomodation	\$84,212.20

**OTHER EXPENSES****\$1,223,904.08**



FAIR WORK  
AUSTRALIA

9 November 2010

Mr Gavin Turner  
President  
Civil Contractors Federation, Queensland Branch

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

Dear Mr Turner

**Re: Financial Report for the Civil Contractors Federation, Queensland Branch for year ended 30 June 2010 – FR2010/2615**

I acknowledge receipt of the financial report for the Civil Contractors Federation, Queensland Branch (the Branch) for the year ended 30 June 2010. The report was lodged with Fair Work Australia on 22 September 2010.

The financial report has not been filed.

The following matters require your attention before any action can be taken to file the above report.

### **Income Statement**

The Australian Accounting Standard in relation to Materiality (AASB 1031) states where “*When items of income and expense are material, their nature and amount shall be disclosed separately*” (AASB 101 86.). The reference to ‘Other expenses’ and the figure of ‘\$1,223,904’ appearing in the Statement of Comprehensive Income exceeds the material limit. Could the Branch provide a breakdown of the figure for other expenses to Fair Work Australia.

I note that correspondence of Fair Work Australia dated 8 December 2009 in relation to the Financial Report for the year ended 30 June 2009 raised the same issue with the Branch:

*‘The Branch has provided additional information for the category of other expenses contained in the income statement of the above report. In future years could the Branch ensure that a breakdown of the other expenses figure is contained in the notes to the financial statement where the amount exceeds the material limit contained in AASB 1031.’*

### **Capitation fees**

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

The notes to the financial statements of the national office of the Civil Contractors Federation state that \$124,505 was received from the Branch. Cash flows from branches to the national office are noted as including branch contributions, insurance contributions, CEO meeting reimbursements and CCF online reimbursements. The notes to the financial statements of the national office of the CCF also disclose \$28,197 as receivable from the Branch and \$909 as payable to the Branch.

I therefore request that the Branch advise FWA in writing of any cash flows to and from the national office. Also, if applicable, please advise any cash flows to and from other branches of the CCF. In future years please ensure that all cash flows between the branch and the national office and between the Branch and other branches of the CCF are disclosed in the notes to the financial statements.

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

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kevin Donnellan', with a long horizontal flourish extending to the right.

Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

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



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22 September 2010

Mr Iain Stewart  
Team Manager  
Statutory Services Branch  
Fair Work Australia  
GPO Box 1994  
MELBOURNE VIC 3001

Dear Mr Stewart

Please find enclosed the Civil Contractors Federation Queensland Branch Financial Return for the year ending 30 June 2010, which includes General Purpose Financial Report, Branch Board Statement, Operating Report and Certificate of Designated Officer.

Yours sincerely

**ROBERT ROW**  
Chief Executive Officer

**Civil Contractors Federation  
Queensland Branch**

**Operating Report  
For the Year ended 30 June 2009**

**Principal activities s254(2)(a)**

The principal activities of the Queensland Branch during the financial year were:  
acting as an industry body representing the civil construction sector under the Workplace Relations Act 1996.

**Results of principal activities s254(2)(a)**

The Queensland Branch's principal activities resulted in:

- advocacy and representation to governments on behalf of members
- provision of a range of industrial and contractual services to members
- provision of industry training
- distribution of communication to members

**Significant changes in nature of principal activities**

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

**Significant changes in Federation's Financial Affairs**

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

**Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme**

No officer, or member [to the best of my knowledge] holds a dedicated position as a superannuation trustee under s254(2)(d) of the RAO Schedule.

**Number of Members**

The number of persons who, at the end of the financial year (30 June 2010), were recorded on the Register of members was: 226.

**Number of Employees**

The number of persons who were, at the end of the financial year (30 June 2010), employees of the Queensland Branch of the Federation was: 24 measured on a full-time equivalent basis.

**Branch Board Members**

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

**1 July 2009 - 17 September 2009**

President:	Gavin Turner
Vice President:	Paul Fogarty
Treasurer:	Anthony Burke
National Board Member:	Anthony Burke
Alternate Board Member:	John Hull
Branch Board Members:	Murray Barber
	John Clark
	Rob Douglas
	Mark Panizza
	Damian Long
	Alan Boal



Terry Cogill  
John Hull  
Brian Riggall

**18 September 2009 – 30 June 2010**

President: Gavin Turner  
Vice President: Anthony Burke  
Treasurer: Damian Long  
National Board Member: Anthony Burke  
Alternate Board Member: John Hull  
Branch Board Members: Murray Barber  
John Clark  
Rob Douglas  
Mark Panizza  
Damian Long  
Terry Cogill  
John Hull  
Brian Riggall

**Manner of resignation**

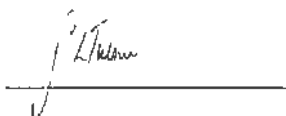
Members may resign from the Federation in accordance with rule 9, which reads as follows:

**"9 - RESIGNATION OF MEMBERS**

- (a) A Member may resign from the Federation by written notice addressed and delivered to the Chief Executive Officer (National).
- (b) A notice of resignation from membership of the Federation takes effect:
  - (i) at the end of two weeks after the notice is received by the Federation; or
  - (ii) on the day specified in the notice;whichever is later.
- (c) Any dues payable but not paid by a former Member of the Federation in relation to a period before the Member's resignation from the Federation took effect, may be sued for and recovered in the name of the Federation, in a court of competent jurisdiction, as a debt due to the Federation.
- (d) A notice delivered to the person mentioned in sub-rule (1) shall be taken to have been received by the Federation when it was delivered.
- (e) A notice of resignation that has been received by the Federation is not invalid because it was not addressed and delivered in accordance with sub rule (a) of Rule 9.
- (f) A resignation from membership of the Federation is valid even if it is not effected in accordance with this section if the Member is informed in writing by or on behalf of the Federation that the resignation has been accepted."

Name: **Gavin Turner**  
Title of Office held: **President**

Signature:

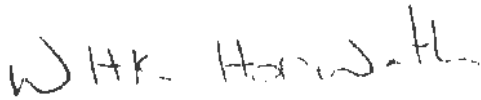


Date: 18 August 2010

**Auditor's Independence Declaration to the Board Members of the Civil Contractors Federation  
Queensland Branch**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2010 there has been:

- (i) no contraventions of the auditor independence requirements set out in Section 256 of Schedule 1 (Registration and Accountability of Organisations) of the *Workplace Relations Act 1996*; and
- (ii) no contraventions of any applicable Accounting Professional Ethical Standards in relation to the audit.



WHK Horwath



B P Worrall  
Principal

Dated this 18<sup>th</sup> day of August 2010, Brisbane

***Liability limited by a scheme approved under Professional Standards Legislation other than for the acts or omissions of financial services licensees***

*Total Financial Solutions*

**Member Horwath International**

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Email [info.bri@whkhorwath.com.au](mailto:info.bri@whkhorwath.com.au) [www.whkhorwath.com.au](http://www.whkhorwath.com.au)  
A WHK Group firm



*Horwath refers to Horwath International Association, a Swiss entity.  
Each member of the Association is a separate and independent legal entity*

**Civil Contractors Federation**  
**Queensland Branch**  
**Statement of Comprehensive Income**  
**For the Year Ended 30 June 2010**

	<b>Note</b>	<b>2010</b>	<b>2009</b>
		<b>\$</b>	<b>\$</b>
Revenue	2	4,983,468	4,967,364
Other income	2	729,301	376,181
<b>Total revenue</b>		<u>5,712,769</u>	<u>5,343,545</u>
Direct costs	3	(839,562)	(1,169,346)
Bad and doubtful debts		(25,710)	184,442
Employee costs		(2,088,177)	(1,868,802)
Depreciation		(92,700)	(56,344)
Rental expense		(295,005)	(341,458)
Other expenses		(1,223,904)	(973,095)
<b>PROFIT BEFORE INCOME TAX</b>		<u>1,147,711</u>	<u>1,118,942</u>
Income tax expense	1(a)	0	0
<b>PROFIT FOR THE YEAR</b>		<u>1,147,711</u>	<u>1,118,942</u>
 <b>OTHER COMPREHENSIVE INCOME</b>			
Other comprehensive income for the period, net of tax		0	0
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>1,147,711</u>	<u>1,118,942</u>
 <b>PROFIT (LOSS) FOR THE YEAR ATTRIBUTABLE TO:</b>			
- Members		<u>1,147,711</u>	<u>1,118,942</u>
 <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:</b>			
- Members		<u>1,147,711</u>	<u>1,118,942</u>

The accompanying notes form part of the financial statements

**Civil Contractors Federation**  
**Queensland Branch**  
**Statement of Financial Position**  
**For the year ended 30 June 2010**

	Note	2010 \$	2009 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	3,766,735	2,623,758
Trade and other receivables	5	669,516	688,219
Inventories	6	62,276	9,773
Other financial assets	7	12,500	12,500
Other current assets	8	63,710	48,496
<b>TOTAL CURRENT ASSETS</b>		<u>4,574,737</u>	<u>3,382,746</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	357,898	278,840
Intangible assets	12	0	66,630
<b>TOTAL NON-CURRENT ASSETS</b>		<u>357,898</u>	<u>345,470</u>
<b>TOTAL ASSETS</b>		<u><u>4,932,635</u></u>	<u><u>3,728,216</u></u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	256,430	205,639
Short term provisions	11	66,409	57,526
Current tax liability		0	0
Other current liabilities		0	0
<b>TOTAL CURRENT LIABILITIES</b>		<u>322,839</u>	<u>263,165</u>
<b>NON-CURRENT LIABILITIES</b>			
Long term provisions	11	15,402	18,368
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>15,402</u>	<u>18,368</u>
<b>TOTAL LIABILITIES</b>		<u>338,241</u>	<u>281,533</u>
<b>NET ASSETS</b>		<u><u>4,594,394</u></u>	<u><u>3,446,683</u></u>
<b>EQUITY</b>			
Retained profits		<u>4,594,394</u>	<u>3,446,683</u>
<b>TOTAL EQUITY</b>		<u><u>4,594,394</u></u>	<u><u>3,446,683</u></u>

The accompanying notes form part of the financial statements

**Civil Contractors Federation  
Queensland Branch  
Statement of Changes in Equity  
For the Year Ended 30 June 2010**

	<b>Retained Profits</b>	<b>Total</b>
<b>30 June 2009</b>	<b>\$</b>	<b>\$</b>
<b><i>Balance at 1 July 2008</i></b>	2,327,741	2,327,741
<b>Total comprehensive Income</b>		
- Profit/(loss) for the period	1,118,942	1,118,942
<b><i>Total comprehensive income for the year</i></b>	1,118,942	1,118,942
<b><i>Balance at 30 June 2009</i></b>	3,446,683	3,446,683
<b>30 June 2010</b>		
<b><i>Balance at 1 July 2009</i></b>	3,446,683	3,446,683
<b>Total comprehensive Income</b>		
- Profit/(loss) for the period	1,147,711	1,147,711
<b><i>Total comprehensive income for the year</i></b>	1,147,711	1,147,711
<b><i>Balance at 30 June 2010</i></b>	4,594,394	4,594,394

**Civil Contractors Federation**  
**Queensland Branch**  
**Statement of Cash Flows**  
**For the Year Ended 30 June 2010**

	Note	2010 \$	2009 \$
<b>Cash from operating activities:</b>			
Receipts from customers		5,599,366	5,523,201
Payments to suppliers and employees		(4,446,941)	(4,394,110)
Interest received		163,375	128,726
<b>Net cash from operating activities</b>	15a	<u>1,315,800</u>	<u>1,257,817</u>
<b>Cash flows from investing activities:</b>			
Payment for property, plant and equipment		(172,824)	(153,681)
Payment for deferred R&D		-	(66,630)
<b>Net cash from Investing activities</b>		<u>(172,824)</u>	<u>(220,311)</u>
<b>Net increase/(decrease) in cash held</b>		1,142,976	1,037,506
Cash at the beginning of the period		<u>2,623,758</u>	<u>1,586,252</u>
<b>Cash at the end of the period</b>	4	<u>3,766,734</u>	<u>2,623,758</u>

**Civil Contractors Federation**  
**Queensland Branch**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2010**

**1 Statement of Significant Accounting Policies**

**General Information**

This general purpose financial report that has been prepared in accordance with Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of Section 253 (2) of Schedule 1 (Registration and Accountability of Organisations) of the *Workplace Relations Act 1996*. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards

The following is a summary of the material accounting policies adopted by CCF in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**Basis of Preparation**

*Reporting Basis and Conventions*

The financial report has been prepared on an accrual basis and is based on the historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied

**(a) Income Tax**

No provision for income tax has been raised as CCF is exempt from income tax under section 50-115 of the Income Tax Assessment Act 1997 as an employer federation registered under an Australian Law relating to the settlement of industrial disputes and is located in Australia and incurs its expenditure and pursues its objectives principally in Australia.

**(b) Inventories**

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis and include direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses.

**(c) Property, Plant and Equipment**

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

**(i) Plant and Equipment**

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by CCF to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate

**Civil Contractors Federation**  
**Queensland Branch**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2010**

**1 Statement of Significant Accounting Policies continued**

**(c) Property, Plant and Equipment continued**

**(i) Plant and Equipment continued**

asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to CCF and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

**(ii) Depreciation**

The depreciable amounts of all fixed assets are depreciated over the useful lives of the assets commencing from the time the asset was held ready for use. Leasehold improvements are amortised over the estimated useful lives of the improvements.

The depreciable amount is the carrying value of the asset less estimated residual amounts. The residual amount is based on what a similar asset of the expected condition of the asset at the end of its useful life could be sold for.

Assets are depreciated on a diminishing value basis, with the exception of leasehold improvements which are depreciated on a straight line basis. The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Leasehold improvements	2.5%
Office Plant and equipment	7 - 100%
Furniture & Fittings	11 - 100%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred back to the income statement as part of the profit or loss on disposal.

**(d) Leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged to the income statement on a straight line basis over the lease term.

There are no lease incentives under any of the operating leases entered into by CCF.



**Civil Contractors Federation**  
**Queensland Branch**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2010**

**1 Statement of Significant Accounting Policies continued**

**(e) Employee Benefits**

Provision is made for the CCF's liability for employee benefits arising from services rendered by employees to balance sheet 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 outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

**(f) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

**(g) Revenue Recognition**

Revenue from the sale of goods and services is recognised upon the delivery of goods and services to customers. Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer by reference to the stage of completion of the contract.

All revenue is stated net of the amount of goods and services tax (GST) except for Claims from the Government and BCITF which are GST free.

**(h) Critical Accounting Estimates and Judgments**

CCF 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 CCF. Key estimates and critical judgments are discussed below.

*Key estimates - Impairment of assets and Long Service Leave*

CCF assesses impairment at each reporting date by evaluating economic conditions specific to CCF that may lead to impairment of assets. When 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. Long service leave expected to be payable in future years is measured at the net present value.

*Key judgements – Provision for Impairment of Receivables*

The 2009 provision is considered adequate for the 2010 year.

**Civil Contractors Federation**  
**Queensland Branch**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2010**

**1 Statement of Significant Accounting Policies continued**

**(h) Critical Accounting Estimates and Judgements continued**

**(i) Functional and Presentation Currency**

The functional and presentation currency for the CCF is Australian dollars.

**(j) Provisions**

Provisions are recognised when the CCF has a legal or constructive obligation, as a result of a past event, for which it is probable that an outflow of economic benefits will result and that cash outflow can be reliably measured.

**(k) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

**(l) Comparative Figures**

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

**(m) Impairment of Assets**

At each reporting date, CCF reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, CCF estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**Civil Contractors Federation**  
**Queensland Branch**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2010**

**1 Statement of Significant Accounting Policies continued**

**(n) Financial Instruments**

**Recognition**

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

**Financial assets at fair value through profit and loss**

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

**Held-to-maturity investments**

These investments have fixed maturities, and it is CCF's intention to hold these investments to maturity. Any held-to-maturity investments held by CCF are stated at amortised cost using the effective interest rate method.

**Available-for-sale financial assets**

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

**Financial liabilities**

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

**Derivative instruments**

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the income statement unless they are designated as hedges.

CCF designates certain derivatives as either:

**Civil Contractors Federation**  
**Queensland Branch**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2010**

**1 Statement of Significant Accounting Policies continued**

**(n) Financial Instruments continued**

- i) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);  
or
- ii) hedges of highly probably forecast transactions (cash flow hedges).

At the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions is documented.

Assessments, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items, are also documented.

**(i) Fair value hedge**

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedge asset or liability that are attributable to the hedged risk.

**(ii) Cash flow hedge**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is deferred to a hedge reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in the hedge reserve in equity are transferred to the income statement in the periods when the hedged item will affect profit or loss.

**Fair value**

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

**Impairment**

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

**Civil Contractors Federation**  
**Queensland Branch**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2010**

**2 Revenue and Other Income**

	<b>Note</b>	<b>2010</b>	<b>2009</b>
		<b>\$</b>	<b>\$</b>
- Training Courses		4,210,306	4,454,106
- Member subscriptions		509,991	295,536
- Function meetings and other activities		263,171	217,722
- Other income		729,301	376,181
<b>Total Revenue</b>		<u>5,712,769</u>	<u>5,343,545</u>
		<b>2010</b>	<b>2009</b>
		<b>\$</b>	<b>\$</b>
Other income from:			
- Interest income		163,375	126,130
- Other sundry income		301,542	53,446
- Sponsorship Income		264,384	196,605
<b>Total other income</b>		<u>729,301</u>	<u>376,181</u>

**3 Surplus Before Income Tax**

		<b>2010</b>	<b>2009</b>
		<b>\$</b>	<b>\$</b>
Direct costs		<u>839,562</u>	<u>1,169,346</u>
Bad and doubtful debts			
Bad debts		25,710	35,889
Increase / (Decrease) in Doubtful Debts		<u>0</u>	<u>(220,331)</u>
		<u>25,710</u>	<u>(184,442)</u>
Rental expense on operating leases			
Motor vehicles		113,420	150,234
Office rental		181,585	182,061
Other leases		<u>26,616</u>	<u>9,163</u>
<b>Total rental expenses</b>		<u>321,621</u>	<u>341,458</u>
Depreciation		<u>92,700</u>	<u>56,344</u>

**Civil Contractors Federation**  
**Queensland Branch**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2010**

**4 Cash and Cash Equivalents**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
Cash on hand	1,099	1,050
Cash at bank	269,318	268,436
Term deposits	3,496,331	2,354,272
	<u>3,766,748</u>	<u>2,623,758</u>

**5 Trade and Other Receivables**

	<b>2010</b>	<b>2009</b>
<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Trade receivables	603,329	549,750
Less Provision for impairment of receivables	(24,669)	(24,669)
	<u>578,660</u>	<u>525,081</u>
Accrued Income	50,000	115,000
GST Receivable	40,856	48,138
Other Debtors	0	0
	<u>669,516</u>	<u>688,219</u>
<b>Provision for impairment of Receivables</b>		
Opening balance 1 July	24,669	245,000
Increase / (Decrease) in provision	0	(220,331)
Closing balance	<u>24,669</u>	<u>24,669</u>

\* Interest was charged at the Commonwealth Bank of Australia 90 day bond rate. The loan was repaid during the year.

Current trade receivables are on 30 day terms. A provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in the bad and doubtful debts expense item.

**Civil Contractors Federation  
Queensland Branch  
Notes to the Financial Statements  
For the Year Ended 30 June 2010**

**6 Inventories**

	2010	2009
	\$	\$
CURRENT		
At Cost		
Inventories	62,276	9,773
	<u>62,276</u>	<u>9,773</u>

**7 Financial Assets**

	2010	2009
	\$	\$
Investments, at cost		
Shares in joint venture	12,500	12,500
	<u>12,500</u>	<u>12,500</u>

**8 Other Assets**

	2010	2009
	\$	\$
CURRENT		
Prepayments	61,887	46,673
Deposits	1,823	1,823
	<u>63,710</u>	<u>48,496</u>

**Civil Contractors Federation**  
**Queensland Branch**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2010**

**9 Property Plant and Equipment**

	2010	2009
	\$	\$
Office equipment		
At cost	392,438	389,566
Less accumulated depreciation	(218,287)	(231,150)
<b>Total office equipment</b>	<b>174,151</b>	<b>158,416</b>
Furniture & Fittings		
At cost	97,811	99,892
Less accumulated depreciation	(52,405)	(42,194)
<b>Total furniture &amp; fittings</b>	<b>45,406</b>	<b>57,698</b>
Leasehold Improvements		
At cost	65,840	65,840
Less accumulated depreciation	(4,195)	(3,114)
<b>Total leasehold improvements</b>	<b>61,645</b>	<b>62,726</b>
Motor vehicles	105,477	0
Less accumulated depreciation	(28,781)	0
<b>TOTAL MOTOR VEHICLES</b>	<b>76,696</b>	<b>0</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>357,898</b>	<b>278,840</b>

**a Movements in Carrying Amounts**

	Motor Vehicles	Office Equipment	Furniture and Fittings	Leasehold Improvements	Total
	\$	\$	\$	\$	\$
<b>2010</b>					
Balance at the beginning of year	0	158,432	57,698	62,710	278,840
Additions	105,477	66,792	540	0	172,809
Disposals	0	0	0	0	0
Depreciation/amortisation expense	(28,781)	(51,073)	(12,832)	(1,065)	(93,751)
<b>Carrying amount at the end of year</b>	<b>76,696</b>	<b>174,151</b>	<b>45,406</b>	<b>61,645</b>	<b>357,898</b>
<b>2009</b>					
Balance at the beginning of year	0	138,037	26,146	17,321	181,504
Additions	0	63,574	43,837	46,470	153,681
Disposals	0	0	0	0	0
Depreciation expense	0	(43,195)	(12,085)	(1,065)	(56,345)
<b>Carrying amount at the end of year</b>	<b>0</b>	<b>158,416</b>	<b>57,698</b>	<b>62,726</b>	<b>278,840</b>



**Civil Contractors Federation  
Queensland Branch  
Notes to the Financial Statements  
For the Year Ended 30 June 2010**

**10 Trade and Other Payables**

	2010	2009
	\$	\$
<b>CURRENT</b>		
Unsecured Liabilities		
Trade payables and other liabilities	193,407	169,898
Amounts received in advance	63,023	35,741
GST payables	0	0
	<u>256,430</u>	<u>205,639</u>
	<u>256,430</u>	<u>205,639</u>

**11 Provisions**

**Short term provisions**

Accrued employee benefits	<u>66,409</u>	<u>57,526</u>
	<u>66,409</u>	<u>57,526</u>

**Long term provisions**

**Long Service Leave entitlement**

	2010	2009
	\$	\$
Opening balance at 1 July 2009	18,368	0
Additional provisions	(2,966)	12,771
Payments	0	(12,315)
Balance at 30 June 2010	<u>15,402</u>	<u>18,368</u>

**Analysis of Total Provisions – Non Current**

	2010	2009
	\$	\$
Long service leave entitlements	<u>15,402</u>	<u>18,368</u>
	<u>15,402</u>	<u>18,368</u>

**12 Intangible assets**

Development costs	<u>0</u>	<u>66,630</u>
	<u>0</u>	<u>66,630</u>

The development costs relate to actual expenditure incurred by the Federation on the development project being undertaken by the National Training Resource Unit.

**Civil Contractors Federation**  
**Queensland Branch**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2010**

**13 Financial Risk Management**

**Financial Risk Management Policies**

CCF's financial instruments mainly consist of deposits with banks, short-term investments, accounts receivable, accounts payable.

The main risk CCF is exposed to through its financial instruments is liquidity risk and credit risk.

*Interest Rate Risk*

CCF has no exposure to increased interest payments as currently no debt is held.

*Foreign Currency Risk*

CCF has no exposure to foreign currency risk

*Liquidity Risk*

CCF manages liquidity risk by monitoring cash forecast cash flows.

*Credit Risk*

The maximum exposure to credit risk at balance date to recognised financial assets, is the carrying amount, net of any provision for impairment of those assets, as disclosed in the balance sheet and the notes to the financial statements.

Credit risk is managed by management and reviewed periodically by the Board. It arises from exposure to customers and deposits with financial institutions. Management assess credit risk by assessing the rating quality and liquidity of counter parties:

- only banks and financial institutions with a "A" rating are utilised;
- all potential customers are rated for credit worthiness; and
- customers that do not meet CCF's credit policies may only purchase by payment in advance.

**Civil Contractors Federation  
Queensland Branch  
Notes to the Financial Statements  
For the Year Ended 30 June 2010**

**13 Financial Risk Management continued**

The aging of CCF's trade receivables at the reporting date was:

	2010	2009
	\$	\$
Not past due	468,499	431,130
Past due 30-60 days	54,712	65,732
Past due 61-90 days	25,514	11,051
Past due 91 days and over	54,604	41,837
Provision for impairment	(24,669)	(24,669)
	<u>578,660</u>	<u>525,081</u>

**Financial Instrument Composition and Maturity**

The table below reflects the CCF's financial instrument composition and where applicable, the weighted average effective interest rate.

The settlement period for all financial instruments listed in the table below is within 1 year. Trade and sundry payables are expected to be paid is less than 6 months.

Sensitivity analysis has not been performed on interest rate risk as the Board is of the opinion that a 2% increase or decrease in interest rates would be immaterial based on 30 June balances.

**Civil Contractors Federation**  
**Queensland Branch**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2010**

**13 Financial Risk Management continued**

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-Interest Bearing		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
	%	%	\$	\$	\$	\$	\$	\$
<b>Financial Assets:</b>								
Cash and cash equivalents	4.90	4.90	3,766,735	2,623,758	-	-	3,766,735	2,623,758
Receivables	-	-	-	-	669,516	688,219	669,516	688,219
Other Financial Assets	-	-	-	-	12,500	12,500	12,500	12,500
<b>Total Financial Assets</b>			<b>3,766,735</b>	<b>2,623,758</b>	<b>682,016</b>	<b>700,719</b>	<b>4,448,751</b>	<b>3,324,477</b>
<b>Financial Liabilities:</b>								
Trade and sundry payables	-	-	-	-	322,864	263,165	322,864	263,165
<b>Total Financial Liabilities</b>			<b>-</b>	<b>-</b>	<b>322,864</b>	<b>263,165</b>	<b>322,864</b>	<b>263,165</b>

**14 Auditor's Remuneration**

**a Auditor's Remuneration**

	2010	2009
	\$	\$
Remuneration of the auditor of the CCF for:		
- Auditing	9,000	7,037
- Assistance in preparation of Financial Report	1,500	3,865
	<u>10,500</u>	<u>10,902</u>

**Civil Contractors Federation  
Queensland Branch  
Notes to the Financial Statements  
For the Year Ended 30 June 2010**

**15 Cash Flow Information**

**a Reconciliation of Cash Flow from Operations with Surplus after Income Tax**

	2010	2009
	\$	\$
Net surplus for the period	1,147,711	1,118,942
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
Depreciation and amortisation	92,700	56,345
Write down intangible	66,630	-
changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
(Increase)/decrease in trade and term receivables	(53,579)	242,272
(Increase)/decrease in prepayments	(15,213)	(16,217)
(Increase)/decrease in other receivables	65,000	(54,491)
(Increase)/decrease in advances	-	31,390
(Increase)/decrease in stock	(52,503)	(2,433)
Increase/(decrease) in amounts received in advance	(8,544)	(70,261)
Increase/(decrease) in other payables	3,130	5,946
Increase/(decrease) in trade payables	63,186	10,259
Increase/(decrease) in GST payable	7,282	(63,935)
	<u>1,315,800</u>	<u>1,257,817</u>

**16 Events After the Balance Sheet Date**

There were no after balance date events impacting on this financial report.

**17 Economic Dependence**

The majority of the income generated by CCF is from various training courses conducted by the training arm of CCF, CivilTrain. Given the current slow growth in infrastructure investments by public and private sector, it is anticipated that the demand for related training courses will also not grow significantly and that CCF will continue to be dependent on this stream of income in the future. Conversely, any future downfall in this sector will require CCF to quickly adjust and downsize its operations in this area as well.

**18 Company Details**

**Registered office**

The registered office of the company is:

Civil Contractors Federation

Level 2, Oxley House

25 Donkin Street

South Brisbane QLD 4101

**Civil Contractors Federation**  
**Queensland Branch**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2010**

**19 New Accounting Standards for Application in Future Periods**

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods. The Federation has decided against early adoption of these standards. A discussion of those future applicable requirements and their impact on the Federation is as follows:

AASB 101: Presentation of Financial Statements, AASB 2007-8: Amendments to Australian Accounting Standards arising from AASB 101, and AASB 2007-10: Further Amendments to Australian Accounting Standards arising from AASB 101 (all applicable to annual reporting periods commencing from 1 January 2009). The revised AASB 101 and amendments supersede the previous AASB 101 and redefines the composition of financial statements including the inclusion of a statement of comprehensive income. There will be no measurement or recognition impact on the Federation. If an entity has made a prior period adjustment or reclassification, a third balance sheet as at the beginning of the comparative period will be required.

AASB 2008-5: Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) (AASB 2008-5) and AASB 2008-6: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) (AASB 2008-6) detail numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. No changes are expected to materially affect the Federation.

The Federation does not anticipate early adoption of any of the above reporting requirements and does not expect them to have any material effect on the Federation's financial statements.

**20 Payments to Employees of Salaries and Superannuation**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
Staff of CFF QLD Branch	<u>2,063,045</u>	<u>1,856,030</u>

**Civil Contractors Federation**  
**Queensland Branch**  
**Branch Board Statements**  
**For the Year Ended 30 June 2010**

**21 Key Management Personnel**

Names and positions held of CCF key management personnel in office at any time during the financial year are:

**1 July 2009 - 17 September 2009**

President:	Gavin Turner
Vice President:	Paul Fogarty
Treasurer:	Anthony Burke
National Board Member:	Anthony Burke
Alternate Board Member:	John Hull
Branch Board Members:	Murray Barber John Clark Rob Douglas Mark Panizza Damian Long Alan Boal Terry Cogill John Hull Brian Riggall
Chief Executive Officer:	Robert Row

**18 September 2009 – 30 June 2010**

President:	Gavin Turner
Vice President:	Anthony Burke
Treasurer:	Damian Long
National Board Member:	Anthony Burke
Alternate Board Member:	John Hull
Branch Board Members:	Murray Barber John Clark Rob Douglas Mark Panizza Damian Long Terry Cogill John Hull Brian Riggall
Chief Executive Officer:	Robert Row

Board members are not paid any remuneration for their role as a Board member. This includes office bearers such as the president, Vice president and the Treasurer.

**Civil Contractors Federation  
Queensland Branch  
Branch Board Statements  
For the Year Ended 30 June 2010**

**22 Capital and Lease Commitments**

**Capital Commitments**

Capital commitments relating to the National Training Resource Unit Project:

	2010	2009
	\$	\$
Payable – Minimum capital payments		
- Not later than 12 months	89,256	178,510
- Between 12 months and 5 years	0	0
- Greater than 5 years.	0	0
	<u>89,256</u>	<u>178,510</u>

**Operating Lease Commitments**

Non cancellable operating leases contracted for but not capitalised in the financial statements:

	2010	2009
	\$	\$
Payable – Minimum lease payments		
- Not later than 12 months	193,121	297,753
- Between 12 months and 5 years	103,162	339,767
- Greater than 5 years.	0	0
	<u>296,283</u>	<u>637,520</u>

**23 Related Party Transactions**

Membership of the Board is only drawn from members.

CCF transacts with members and member related entities in the ordinary course of business. Transactions with members are at arms length and on normal commercial terms.

**24 Notice under Section 272 Information to be provided to members or Registrar**

- i) A member of the reporting unit, or registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application
- ii) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit
- iii) A reporting unit must comply with an application made under subsection (i)

The above subsection is a civil penalty provision.



**Civil Contractors Federation  
Queensland Branch  
Branch Board Statements  
For the Year Ended 30 June 2010**

**25 Financial Report**

The financial report was authorised for issue on 18<sup>th</sup> August 2010 by the Board of CCF Queensland Branch.

**Civil Contractors Federation**  
**Queensland Branch**  
**Branch Board Statements**  
**For the Year Ended 30 June 2010**

On 18<sup>th</sup> August 2010 the Board of the Civil Contractors Federation Queensland Branch, passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30th June 2010:

The Board declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the Board were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with Schedule 1 of the *Workplace Relations Act 1996*, and the RAO Regulations; and
  - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - (v) No requests were received from any member of the reporting unit or a Registrar for information under Section 272 of the RAO Schedule; and

No orders have been made by the Commission under section 273 of the RAO Schedule.

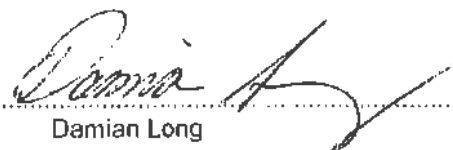
For the Branch Board:

Director .....

  
Gavin Turner

Dated this 18<sup>th</sup> day of August 2010.

Honorary Treasurer .....

  
Damian Long

Dated this 18<sup>th</sup> day of August 2010.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIVIL CONTRACTORS FEDERATION QUEENSLAND BRANCH

### Scope

We have audited the accompanying financial report of Civil Contractors Federation Queensland Branch which comprises the statement of financial position at 30 June 2010, and the statement of comprehensive income, statement of changes in equity, cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by the Branch Board for the year then ended.

### The Queensland Branch Board's Responsibility for the Financial Report

The Queensland Branch Board is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Workplace Relations Act 1996*. This responsibility includes: establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

*Total Financial Solutions*



Horwath refers to Horwath International Association, a Swiss entity.  
Each member of the Association is a separate and independent legal entity.

### Member Horwath International

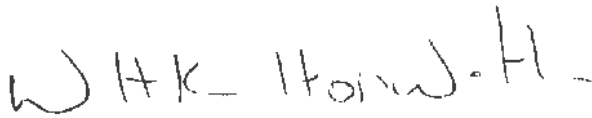
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Level 16, WHK Horwath Centre 120 Edward Street  
Brisbane Queensland 4000 Australia  
GPO Box 736 Brisbane Queensland 4001 Australia  
Telephone +61 7 3233 3555 Facsimile +61 7 3210 6183  
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A WHK Group firm

## Independence

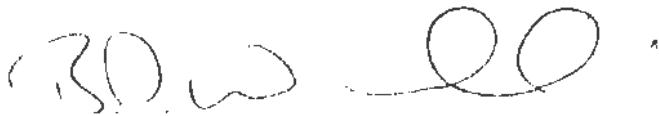
In conducting our audit, we have complied with the independence requirements of the Accounting Professional Ethical Standards and the requirements of Section 256 of Schedule 1 (Registration and Accountability of Organisations) of the *Workplace Relations Act 1996*.

## Auditor's Opinion

In our opinion the general purpose financial report, including the financial position of Civil Contractors Federation Queensland Branch as of 30 June 2010 and its financial performance and its cash flows for the year then ended, is presented fairly in accordance with applicable Australian Accounting Standards (including Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of the RAO Schedule of the *Workplace Relations Act 1996*.



**WHK HORWATH**



**B P WORRALL  
PRINCIPAL**

Registered Company Auditor, Fellow and Public Practice Certificate I holder, Institute of Chartered Accountants in Australia

Dated the 18<sup>th</sup> day of August 2010, Brisbane

Liability Limited by a scheme approved under Professional Standards Legislation other than for the acts or omissions of financial services licensee

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Certificate of Designated Officer  
s268 of Schedule 1 Workplace Relations Act 1996

I GAVIN LINDSAY TURNER being the PRESIDENT of the  
Civil Contractors Federation Queensland Branch certify;

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- that the full report was provided to members on Tuesday 24 August 2010; and
- that the full report was presented to a general meeting of members of the reporting unit on Wednesday 15 September 2010; in accordance with section 266 of the RAO Schedule.

Signature:  Date: 15/9/2010

Print Name: GAVIN LINDSAY TURNER

Title: PRESIDENT