



1 April 2014

Mr Damian Long
President
Civil Contractors Federation-Queensland Branch
by email: ccfqld@civilcontractors.com

Dear Mr Long,

**Civil Contractors Federation-Queensland Branch
Financial Report for the year ended 30 June 2013 - [FR2013/219]**

I acknowledge receipt of the financial report of the Civil Contractors Federation-Queensland Branch. The documents were lodged with the Fair Work Commission on 10 October 2013.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that 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 financial report for the year ending 30 June 2014 may be subject to an advanced compliance review.

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

Documents must be lodged with the Fair Work Commission within 14 days of General Meeting

Section 268 of the RO Act states that the full report and the designated officer's certificate are required to be lodged with the Fair Work Commission within 14 days of the meeting of members. The Designated Officer's Certificate indicates that this meeting occurred on 12 September 2013. If this is correct the full report should have been lodged with the Fair Work Commission by 26 September 2013.

The full report was lodged on 10 October 2013.

If these dates are correct, the branch should have applied for an extension of time to lodge the required reports and the designated officer's certificate in accordance with section 268 of the RO Act.

Please note that in future financial years a written request for an extension of time, signed by a relevant officer, including any reason for the delay, must be made prior to required date of lodgment.

Auditor's report: declaration regarding going concern

Paragraph 45 of the reporting guidelines requires an auditor to include in the auditor's statement a declaration that as part of the audit of the financial statement they have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate. This declaration was not included in the auditor's statement.

If you have any queries regarding this letter, please contact me on (03) 8661 7942 or via email at rebecca.lee@fwc.gov.au.

Yours sincerely,




Rebecca Lee
Regulatory Compliance Branch

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

I Damian Long being the President of the Civil Contractors Federation Queensland Branch certify:

- that the documents lodged herewith are copies of the concise report referred to in s.268 of the RO Act for the Civil Contractors Federation Queensland Branch for the period ended 30 June 2013; and
- that the full report was provided to members of the reporting unit on 21 August 2013 in accordance with s.265 of the RO Act; and
- that the full report was presented to general meeting of members of the reporting unit on 12 September 2013 in accordance with s.266 of the RO Act.

Date	10 October 2013
Signature of prescribed designated officer	
Name of prescribed designated officer	Damian Long
Office held	President

CIVIL CONTRACTORS FEDERATION
QUEENSLAND BRANCH

ANNUAL REPORT 2012-13



**CIVIL CONTRACTORS
FEDERATION**

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2012-13 PRESIDENT'S REPORT

2012-13 has been a very eventful year for the Civil Contractors Federation Queensland Branch (CCF QLD). We have invested heavily in the future of the civil construction industry by opening Queensland's first Queensland Civil Industry Training Centre and have focused on delivering excellence to our members.

During 2012-13 CCF QLD has concentrated on achieving its mission: to be the voice of the industry and to provide a high level of benefit to its members. In particular, CCF QLD has strived to ensure the industry:

- is professionally represented
- is informed
- has access to tools and resources that help businesses succeed
- has access to high quality training
- has access to opportunities to network, learn and celebrate their achievements
- has access to supporting partners that extend the benefits of membership.



The CCF QLD Board is future oriented and we have set a direction for the organisation that will provide a high level of benefit and professional support to our members. We want CCF QLD to grow in its role as the voice of the civil construction industry in Queensland and we are confident that our vision to take the organisation forward can be achieved.

One of the first steps in this process has been the delivery of the Queensland Civil Industry Training Centre (QCITC) in Brisbane's south. This Centre represents an enormous achievement for the Queensland Branch and it could not have been achieved without the concerted effort of the CCF QLD Board and CCF QLD team. I am particularly proud of the Centre as well as what it represents: a place for CCF QLD to train and gather with the men and women who build Queensland's civil infrastructure.

The construction of the QCITC would not have been a reality without co-contributions from the Australian Government of more than \$1.9 million, through the Industry and Indigenous Skill Centre funding program, and over \$5.7 million from the civil industry.

The success of the Brisbane QCITC, in the few short months it has been open, has urged the Board to seek other opportunities and I am proud to announce that we have recently acquired a building in Townsville which will represent an investment from CCF QLD to skills development in the North.

2012 saw a change of Government in Queensland which has meant that we have spent a large portion of 2012-13 engaging with the new Queensland Government, which has included forging relationships with key Government Ministers. These relationships are key to ensuring CCF QLD is able to effectively advocate for the interests of its members and be the voice of the civil construction industry in Queensland. Some of the significant activities we have focused on in this space have been boardroom lunches and Queensland Media Club events.

There have been a number of significant developments in legislation and regulation over the past year and there are a number of matters that continue to be an issue for civil contractors in Queensland including Queensland Building Services Authority licensing requirements and plant operator licenses. What has been very evident is that the new Government is pushing forward with many changes that CCF QLD has long advocated for, such as the reduction in red tape and more flexible and transparent procurement.

One significant development that has taken place in 2013, was the announcement from the Housing and Public Works Minister, Tim Mander regarding the 10-point action plan to reform building regulation. During a briefing on the Government's response to the Committee's recommendations, Minister Mander commented on Item 5 (the review of licensing requirements) stating that they had feedback from civil contractors asserting that it is not appropriate that civil contractors have to have a QBSA license when they complete a civil project, such as the construction of a road and need to build a small shed or something similar as part of that project. Minister Mander went on to say that it would not be a requirement for those contractors to have a license but that a licensed builder is able to do that component of the work.

While the complete review of licensing and compliance has not taken place, this is a positive step and reflects that CCF QLD's message has been received and is being considered by Government and that the engagement activities we are executing at a Board and operational level are effective.

The CCF QLD Board is also very focused on ensuring members receive the highest level of benefit from their membership as possible and we are consistently looking for ways to achieve this. In 2013 CCF QLD launched CCF QLD Contractor Protect, a service that provides unlimited advice for contractor members on workplace relations issues. So far, the service has been very well received by members that have accessed it and our feedback suggests that benefits such as these make being a member of CCF QLD highly valuable. We will be looking to add more value for members during the 2013-14 year.

I am very proud of what the Branch has achieved in 2012-13 and I am looking forward to driving excellence in service delivery to our members in 2013-14 and beyond. I would like to thank all CCF QLD Board Members and employees for their support and contributions over the past year; without their involvement and contributions CCF QLD would not be able to service its members so effectively.



DAMIAN LONG
President
Civil Contractors Federation
Queensland Branch

2012-13 CEO'S REPORT

The 2012-13 financial year for CCF QLD has been a busy one and significant achievements include the opening of the Queensland Civil Industry Training Centre, completion of the reaccreditation of Civil Train as a Registered Training Organisation (RTO) and the launch of the CCF QLD Contractor Protect advice service.

I'm pleased to announce that in 2012-13 CCF QLD welcomed 25 new contractor members and 15 associates. This means that overall in 2012-13 our membership remained steady at around 200 contractor and 80 associate members.

Member services are consistently looking for better ways to service the membership and 2012-13 has been no exception. The team has been highly active implementing a new member visit program that allocates one visit per member for each cycle rather than on an as needs basis. This new approach will continue to be delivered during 2013-14 and we anticipate it will greatly increase our interactions with members so we may better cater for their needs.

Training has also been an area of increased activity. In 2012, the Australian Skills Quality Authority (ASQA) – the regulator for RTOs – implemented new National Vocational Regulatory (NVR) Standards for RTOs. These revised Standards are much more rigorous than they have been in the past and include the delegation of powers to ASQA to prosecute non-compliance.

To ensure compliance with the new NVR Standards, over the six months from July 2012 to January 2013 many of the Civil Train team were off-line implementing significant changes to its programs, processes and procedures. Having successfully passed User Choice and ASQA audits, indicates that the changes made have met the standards required.

As a result, Civil Train was in a constant state of change over the period as we worked to implement its obligations. We are very focused on assisting Civil Train clients to achieve their training goals and by virtue of the new compliance strategies, the caliber and continuous education of Civil Train trainers and RTO staff, Civil Train clients can be assured that the training product they receive is of the highest standard.

During the 2012-13 year, CCF QLD has also had to manage the impacts of reduced funding from Government for training. This has impacted on the financial performance of the organisation, which has been regrettable, however we are introducing efficiencies to improve our financial performance.

CCF QLD's events also continue to be a great benefit to our members and provide not only the opportunity for industry to be kept up-to-date with the latest information on topical issues, but they also deliver an excellent platform by which members can network with their industry colleagues.

The Earth Awards and Industry Leaders and Training Awards continue to be CCF QLD's preeminent events and in 2012-13 Queensland proudly managed the national Earth Awards series. We also successfully managed the CCF National Conference, which was held in Cairns and was a great success as noted by attendees and sponsors alike.



Policy development has been a strong focus for the Branch during the year and was reflected when in early January 2013, CCF QLD released its 2013 Policy Overview document. The purpose of the document is to provide details of CCF QLD's position, on a range of key policy issues affecting the civil construction industry. To ensure members are kept up-to-date, the Policy Overview has been designed as a living document that will be updated and adapted throughout the year, as topical and emerging issues come to light.

The issues covered by the 2013 Policy Overview include: maintenance of strong government spending; skills development and training; efficient, competitive and equitable procurement; appropriate licensing requirements; red tape, regulation and taxation; workplace health and safety; environment; and employment and workplace relations.

During the year, CCF QLD also provided feedback to Government on a number of public consultations on issues such as the *Building and Construction Industry Payments Act* and the Queensland Government's 10 per cent training policy and workers compensation to name a few.

CCF QLD receives a great deal of support from its sponsors and their generous contributions mean that we are able to provide additional benefit to our members through the services we provide. I would like to personally thank our sponsors for the 2012-13 year: Coates Hire, OAMPS Insurance Brokers, Boral, BussQ Superannuation, Dial Before You Dig, Hanson, Onsite Rental Group, JCB Construction Equipment, Finlease and Hastings Dearing for their contributions.

I am very pleased by what the Branch has achieved during the 2012-13 period and would like to personally congratulate and thank all CCF QLD staff for their contributions. The Board has set a demanding schedule for 2013-2014 and I and the team look forward to a successful year ahead.



ROBERT ROW
Chief Executive Officer
Civil Contractors Federation
Queensland Branch

2012-13 CORPORATE SPONSORS

PLATINUM

coateshire

GOLD

**OAMPS**
Insurance Brokers

SILVER



BRONZE



CIVIL CONTRACTORS FEDERATION
QUEENSLAND BRANCH

ABN 24 778 482 952

FINANCIAL REPORT FOR THE YEAR ENDED

30 JUNE 2013



**CIVIL CONTRACTORS
FEDERATION**

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OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2013

Principal Activities^{s254(2)9a}

The principal activities of the Branch during the financial year were the provision of technical and training services to members in the civil contracting industry:

The Branch operates predominantly in one business and geographical segment, being a representative body of civil construction contractors in Queensland, providing professional services, information and advice including industrial relations advice, dispute resolution, training (business, occupational health and safety), changes to acts and legislation, changes to awards rates of and work practices to members of the Branch throughout Queensland. The Branch represents its members at all levels of Government and lobbies for concessions relating to civil construction and business trade.

Results of principal activities^{s254(2)(a)}

The Branch's principal activities resulted in a profit of \$ 817,513 (2012 profit of \$1,321,161)

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

The Branch has also continued service provision in workplace training to meet industry demand.

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

Advocacy to both state and federal governments and government agencies has also been an area of high performance in representing the views of members in the industry.

The Branch relocated to owned premises located at Eight Mile Plains, Queensland during the prior year and now operate from a purpose built training facility.

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 Branch's financial affairs^{s254(2)(b)}

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

Trustee or director of trustee company of superannuation entity or exempt public sector superannuation schemes^{s254(2)(d)}

No officer, or member of the reporting unit [to the best of my knowledge] holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

Number of Members^{reg 159(a)}

The number of persons who, at the end of the financial year, were recorded on the Register of members was: 173 full members and 90 associate members.

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2013

Number of employees*reg 159(b)*

The number of persons who were, at the end of the financial year, employees of the QLD Branch of the Federation was 29.

QLD Branch Board Members*reg 159(c)*

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

Damian Long -

Branch President (01-07-12 – 30-06-13)

Gavin Turner -

Branch Vice-President (01-07-12 – 30-06-13)

Terry Lynch -

Branch Treasurer (01-07-12 – 30-06-13)

Phil Cassell -

Branch Board Member (01-07-12 – 30-06-13)

John Clark -

Branch Board Member (01-07-12 – 30-06-13)

Terry Cogill -

Branch Board Member (01-07-12 – 30-06-13)

Mark Goodwin -

Branch Board Member (01-07-12 – 30-06-13)

Peter Kendall -

Branch Board Member (01-07-12 – 30-06-13)

Marc Kuypers -

Branch Board Member (01-07-12 – 30-06-13)

Richard Nyholt -

Branch Board Member (01-07-12 – 30-06-13)

Mark Panizza -

Branch Board Member (01-07-12 – 30-06-13)

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2013

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 Federation that the resignation has been accepted."



DAMIAN LONG
President
Civil Contractors Federation
Queensland Branch

Dated in Queensland, 13 August 2013

QUEENSLAND COMMITTEE OF MANAGEMENT STATEMENT FOR THE YEAR ENDED 30 JUNE 2013

On 13 August 2013 the Board of the Civil Contractors Federation (QLD Branch) passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2013:

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

- a) the financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Commission (FWC);
- 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 QLD Branch Board were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - iii. the financial records of the reporting unit have been kept and maintained in accordance with Schedule 1 of the Fair Work (Registered Organisations) Act 2009, and the Fair Work (Registered Organisations) Regulations 2009; and
 - iv. the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - v. no requests were received from any member of the reporting unit or a General Manager of FWA for information under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - vi. no orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
 - vii. in relation to recovery of wage activity, there has been no recovery of wage activities during the year.

For the QLD Branch Board (Committee of Management):



DAMIAN LONG
President
Civil Contractors Federation
Queensland Branch

Dated in Queensland, 13 August 2013

AUDITOR'S INDEPENDENCE DECLARATION TO THE BOARD OF THE CIVIL CONTRACTORS FEDERATION QUEENSLAND BRANCH

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2013 there have been:-

- a) no contraventions of the auditor independence requirements in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

Stannards, Accountants & Advisors
1/60 Toorak Road, South Yarra VIC 3141



MICHAEL SHULMAN
Partner (Registered Company Auditor: 163888)
Holder of Current Public Practice Certificate

Dated 13 August 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
Revenues	2	6,466,901	7,152,021
Employee expenses	3f	(2,968,623)	(2,965,831)
Rental expenses	3c	(122,612)	(312,054)
Functions, seminars and conference costs		(256,173)	(305,839)
Direct training costs and resource development		(432,166)	(381,534)
Depreciation and amortisation	3d	(370,823)	(269,083)
Bad and doubtful debts	3a	(2,706)	(2,192)
Auditor's Remuneration	3b	(13,900)	(17,000)
Advertising & promotion		(121,169)	(154,722)
Communications		(113,412)	(113,890)
Computer Support / Maintenance		(95,476)	(120,114)
National Levy	3e	(185,000)	(131,877)
IMS Systems and publications		-	(3,200)
Interest Paid		(4,440)	(4,605)
Staff Training & development		(18,830)	(21,677)
Printing & stationery		(31,148)	(29,996)
Travelling expenses		(194,363)	(104,146)
Member Services Support		-	(50,000)
Merchant fees and bank charges		(3,965)	(3,979)
Motor vehicle expenses		(131,425)	(123,990)
Consultancy Fees		(115,128)	(65,978)
Other expenses from ordinary activities	3g	(468,029)	(649,153)
Profit from ordinary activities before income tax expense		817,513	1,321,161
Income tax expense	1a	-	-
Net profit from ordinary activities after income tax expense attributable to the Branch		817,513	1,321,161

The accompanying notes form part of the financial statements

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
Profit for the period	817,513	1,321,161
Other Comprehensive Income for the period	-	-
Total Comprehensive Income for the period	817,513	1,321,161
Total Comprehensive Income attributable to members of the organization	817,513	1,321,161

The accompanying notes form part of the financial statements

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	Note	2013 \$	2012 \$
CURRENT ASSETS			
Cash and cash equivalents	4	1,556,827	3,133,119
Trade and other receivables	5	872,179	978,369
Inventories	6	148,350	169,716
Other current assets	7	139,702	109,577
TOTAL CURRENT ASSETS		2,717,058	4,390,781
NON-CURRENT ASSETS			
Financial assets	8	12,500	12,500
Plant and equipment	9	8,100,919	6,042,892
TOTAL NON-CURRENT ASSETS		8,113,419	6,055,392
TOTAL ASSETS		10,830,477	10,446,173
CURRENT LIABILITIES			
Trade and other payables	10	785,902	1,095,945
Short term provisions	11a	198,214	123,272
TOTAL CURRENT LIABILITIES		984,116	1,219,217
NON-CURRENT LIABILITIES			
Trade and other payables	10	1,359,394	1,543,000
Long term provisions	11b	9,623	24,125
TOTAL NON-CURRENT LIABILITIES		1,369,017	1,567,125
TOTAL LIABILITIES		2,353,133	2,786,342
NET ASSETS		8,477,344	7,659,831
MEMBERS' FUNDS			
Accumulated Surplus		8,477,344	7,659,831
TOTAL MEMBERS' FUNDS		8,477,344	7,659,831

The accompanying notes form part of the financial statements

STATEMENT OF CHANGES IN MEMBERS' FUND FOR THE YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
Balance as at 1 July 2012	7,659,831	6,338,670
Profit attributable to members	817,513	1,321,161
Balance at 30 June 2013	8,477,344	7,659,831

The accompanying notes form part of the financial statements

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		6,471,301	7,100,152
Payments to suppliers and employees		(5,647,408)	(5,062,967)
Payments to National Office (Levy)		(185,000)	(131,877)
Interest received		71,665	179,616
Net cash provided by operating activities	15b	710,558	2,084,924
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(2,428,850)	(5,682,616)
Proceeds from Building Grant		142,000	1,800,000
Net cash (used in) investing activities		(2,286,850)	(3,882,616)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan – CCF (WA Branch)		-	1,000,000
Net cash provided by financing activities		-	1,000,000
Net (decrease)/increase in cash held		(1,576,292)	(797,692)
Cash at the beginning of the financial year		3,133,119	3,930,811
Cash at the end of the financial year	15a	1,556,827	3,133,119

The accompanying notes form part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs unless otherwise stated.

Accounting Policies

a. Income Tax

The Branch is registered under the Fair Work (Registered Organisations) Act 2009 and believed to be exempt from income tax including capital gains tax, by virtue of the provisions of s.50-15 of the Income Tax Assessment Act 1997.

b. Cash and cash equivalents

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

c. Plant and Equipment

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

Plant and equipment

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

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

Depreciation

The depreciable amounts of plant and equipment are depreciated using the straight line and/or diminishing value method at rates based on their estimated useful lives commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable asset are:

Leasehold improvements	2.5%
Office plant and equipment	7-30%
Furniture and Fittings	11-30%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (CONT'D)

c. **Plant and Equipment (cont'd)**

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

The assets' carrying value is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount. These gains and losses are included in the Statement of Profit and Loss.

d. **Financial Instruments**

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

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

e. **Employee Benefits**

Provision is made for the Branch'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 Branch to employee superannuation funds and are charged as expenses when incurred.

f. **Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Branch are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the Branch will obtain ownership of the asset over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives received under operating leases are recognised as a liability. Lease payments received reduce the liability.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (CONT'D)

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

g. Goods and Services Tax (GST)

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

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

h. Revenue

Revenue from membership subscriptions is recognised proportionately over the period to which it relates.

Revenue from the rendering of a service is recognised in proportion to the stage of completion of the contract.

Revenue from grants is recognized over the service period of the grant, and when key deliverables are satisfied.

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

i. Comparative figures

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

j. Operating Segment

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

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

k. Critical Accounting Estimates and Judgements

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

Key Estimates – Impairment

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

No impairment has been recognised in respect of any assets for the year ended 30 June 2013, except as stated in the report.

Key Judgements - Doubtful Debts Provision

The Board have assessed each debtor and have estimated a provision for doubtful debts amounting to \$nil (2012 : \$nil). The Board believes that the full amount of the remaining debtors are recoverable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (CONT'D)

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

I. New Accounting Standards for Application in Future Periods

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

- AASB 9: Financial Instruments (December 2010) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)

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

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

These Standards were mandatorily applicable for annual reporting periods commencing on or after 1 January 2013. However, AASB 2012-6 *Amendments to Australian Accounting Standards – Mandatory Date of AASB 9 and Transition Disclosures* (issued September 2012) defers the mandatory application date of AASB 9 from 1 January 2013 to 1 January 2015. This amendment is a consequence of the deferral of IFRS 9 to allow IASB to complete its revision of that Standard. In light of this change of mandatory effective date, the Branch is expected to adopt AASB 9 and AASB 2010-7 for the annual reporting period ending 31 March 2016. The Committee of Management anticipate that the adoption of AASB 9 and AASB 2010-7 will not have a significant impact on the Branch's financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (CONT'D)

I. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

I. New Accounting Standards for Application in Future Periods

- AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interest in Other Entities, AASB 127: Separate Financial Statements (August 2011), AASB 128: Investments in Associates and Joint Ventures (August 2011) and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (applicable for annual reporting periods commencing on or after 1 January 2013).

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

- AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either ‘joint operations’ (where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or ‘joint ventures’ (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). This standard will not impact the Branch’s financial statements.
- AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a ‘structured entity’, replacing the ‘special purpose entity’ concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the Branch.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued.

These Standards are not expected to significantly impact the Branch.

- AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 (applicable for annual reporting periods commencing on or after 1 January 2013).

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

AASB 13 requires:

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

These Standards are expected to result in more detailed fair value disclosures, but are not expected to significantly impact the amounts recognised in the Branch’s financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (CONT'D)

I. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

I. New Accounting Standards for Application in Future Periods

- AASB 2011-4: Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements (applicable for annual reporting periods beginning on or after 1 July 2013)

This Standard makes amendments to AASB 124: Related Party Disclosures to remove the individual key management personnel disclosures (including paras Aus29.1 to Aus29.9.3). These amendments serve a number of purposes, including furthering trans-Tasman convergence, removing differences from IFRSs, and avoiding any potential confusion with the equivalent Corporations Act 2001 disclosure requirements.

This Standard is not expected to significantly impact the Branch's financial report as a whole.

- AASB 2011-9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income (applicable for annual reporting periods commencing on or after 1 July 2012).

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

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

- AASB 119: Employee Benefits (September 2011) and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans, including:

- removal of the “corridor” approach from AASB 119, thereby requiring entities to recognise all changes in a net defined benefit liability/(asset) when they occur; and
- disaggregation of changes in a net defined benefit liability/(asset) into service cost, net interest expense and remeasurements and recognition of:
 - i. service cost and net interest expense in profit or loss; and
 - ii. remeasurements in other comprehensive income.

AASB 119 (September 2011) also includes changes to the criteria for determining when termination benefits should be recognised as an obligation.

The directors anticipate that the application of amendments to AASB 119 will not have a material impact on the amounts reported by the Branch.

- AASB 2012-2: Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 2012-2 principally amends AASB 7: Financial Instruments: Disclosures to require entities to include information that will enable users of their financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

This Standard is not expected to significantly impact the Branch's financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (CONT'D)

I. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

I. New Accounting Standards for Application in Future Periods

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

This Standard adds application guidance to AASB 132: Financial Instruments: Presentation to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of “currently has a legally enforceable right of set-off” and that some gross settlement systems may be considered equivalent to net settlement.

This Standard is not expected to significantly impact the Branch’s financial statements.

- AASB 2012-5: Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle (applicable for annual reporting periods commencing on or after 1 January 2013).

This Standard amends a number of Australian Accounting Standards as a consequence of the issuance of Annual Improvements to IFRSs 2009-2011 Cycle by the International Accounting Standards Board, including:

- AASB 1: First-time Adoption of Australian Accounting Standards to clarify the requirements in respect of the application of AASB 1 when an entity discontinues and then resumes applying Australian Accounting Standards;
- AASB 101: Presentation of Financial Statements and AASB 134: Interim Financial Reporting to clarify the requirements for presenting comparative information;
- AASB 116: Property, Plant and Equipment to clarify the accounting treatment of spare parts, stand-by equipment and servicing equipment;
- AASB 132 and Interpretation 2: Members’ Shares in Co-operative Entities and Similar Instruments to clarify the accounting treatment of any tax effect of a distribution to holders of equity instruments; and
- AASB 134 to facilitate consistency between the measures of total assets and liabilities an entity reports for its segments in its interim and annual financial statements.

This Standard is not expected to significantly impact the Branch’s financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (CONT'D)

I. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (CONT'D)

	2013 \$	2012 \$
NOTE 2: REVENUE		
Operating activities:		
Training courses and funding	4,838,914	5,594,286
Member subscriptions	618,144	553,674
Function meeting and other activities	319,784	173,631
Capitation Fee	-	-
Affiliation Fees	-	-
Compulsory Levies	-	-
Donations & Grant	-	-
Interest income	71,665	179,617
Sponsorship income	319,464	315,650
Skills Centre Funding	194,202	-
Grants & Government Funding	-	130,000
Other income	103,828	198,272
IMS Systems	900	6,891
Total Revenue	6,466,901	7,152,021
NOTE 3: PROFIT FROM ORDINARY ACTIVITIES		
The operating profit of the Federation before income tax expense has been determined after:		
Bad and Doubtful Debts		
Bad debts written off	2,706	2,192
Provision for doubtful debts	-	-
	2,706	2,192
Auditor's Remuneration		
Accounting fees	1,700	1,200
Auditor's remuneration	12,200	15,800
	13,900	17,000
Rental Expense on Operating Leases		
Motor vehicles	318	1,235
Office rental	122,294	310,819
	122,612	312,054
Depreciation and Amortisation		
Plant and equipment	370,823	269,083
	370,823	269,083
Levy		
National office levy	185,000	131,877
The levy is imposed by the CCF National Office to assist in funding the National Office operations.		
Employee related expenses		
Salaries	2,576,364	2,601,050
Superannuation	226,032	218,961
Payroll tax	148,456	144,960
Employee Provisions	17,771	860
	2,968,623	2,965,831

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (CONT'D)

	2013 \$	2012 \$
NOTE 3: PROFIT FROM ORDINARY ACTIVITIES (cont'd)		
Other expenses include:		
Business Development	17,978	45,553
Postage	20,251	18,825
Fringe Benefit Tax	38,844	32,415
Payroll Deduction Costs	-	-
Subscriptions	11,198	5,922
Grants / Donations	2,150	-
Capitation Fees	-	-
Attendance Allowance / Fee	-	-
Legal Costs	2,000	8,371
Other	375,608	538,927
	468,029	650,013
NOTE 4: CASH AND CASH EQUIVALENTS		
Current		
Cash on hand	1,000	1,000
Cash at bank	117,122	202,609
Short-term bank deposits	1,438,705	2,929,510
	1,556,827	3,133,119

The weighted average interest rate for cash as at 30 June 2013 is 4.30% (2012: 5.00%)

NOTE 5: TRADE AND OTHER RECEIVABLES

Current		
Trade debtors	479,394	867,269
Less: Provision for doubtful debts	-	-
	479,394	867,269
Accrued Income	321,156	-
GST Receivable	71,629	111,100
	872,179	978,369

Terms and Conditions

Trade debtors relate to services provided, they are non-interest bearing and are secured. Trade debtors relating to training carry terms of up to 90 days. All other trade debtors carry settlement terms of 30 days. No debtor at year end exceed trading terms.

Details of the trade debtors owing from the related party are outlined at Note 14e.

Sundry debtors are non-interest bearing and unsecured.

GST receivable relates to goods and services tax that can be recovered from the Australian Taxation Office.

NOTE 6: INVENTORIES

Current		
Materials and supplies at net realisable value	148,350	169,716

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (CONT'D)

	2013 \$	2012 \$
NOTE 7: OTHER CURRENT ASSETS		
Current		
Prepayments	137,879	107,754
Deposits	1,823	1,823
	139,702	109,577
NOTE 8: FINANCIAL ASSETS		
Non-Current		
Shares in unlisted company – at Board valuation	12,500	12,500

Terms and Conditions

The Branch holds 625 shares in Beaconsfield Press Pty Limited. The shares of the Company are valued based on the consideration of the transfer to Civil Contractors Federation (QLD Branch) in August 2000. The Board continues to believe that this valuation is the most appropriate to value these shares.

NOTE 9: PLANT AND EQUIPMENT

Land & Buildings – at cost	7,714,871	5,469,605
Less: Accumulated depreciation	(127,515)	-
	7,587,356	5,469,605
Office equipment – at cost	537,852	483,549
Less: Accumulated depreciation	(306,382)	(219,362)
	231,470	264,187
Furniture & Fittings – at cost	125,336	121,740
Less: Accumulated depreciation	(105,209)	(81,282)
	20,127	40,458
Motor vehicles – at cost	636,916	511,231
Less: Accumulated depreciation	(374,950)	(242,589)
	261,966	268,642
Total plant and equipment – net book value	8,100,919	6,042,892

Reconciliation of movements in plant & equipment

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year

	Office Equipment \$	Furniture & Fittings \$	Motor Vehicles \$	Land & Buildings \$	Total \$
Balance at the beginning of the year	264,187	40,458	268,642	5,469,605	6,042,892
Additions	54,304	3,595	125,685	2,245,266	2,428,850
Disposals	-	-	-	-	-
Depreciation expense	(87,021)	(23,926)	(132,361)	(127,515)	(370,823)
Carrying amount at the end of the year	231,470	20,127	261,966	7,587,356	8,100,919

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (CONT'D)

	2013 \$	2012 \$
NOTE 10: TRADE AND OTHER PAYABLES		
Current		
Deferred income	531,471	574,558
Creditors and accruals	254,431	521,387
	785,902	1,095,945
Non-Current		
Deferred income	1,359,394	1,543,000

Terms and Conditions

Deferred income relates to cash receipts for membership fees, training and advertising revenue received for the year 2013-14. In the current year, it also includes \$0.388 million (current liability) and \$1.36 million (non-current liability), representing the balance of monies received from the Department of Education, Training and the Arts (the Department) to fund the purchase of the building and a digital path project. This income has been received subject to terms and conditions imposed by the Department over the period from its receipts to 5 years after project completion date. Such funds are being amortised on a straight line basis to profit over a 5 year period.

Creditors and accruals are settled within the terms of payments offered, which is usually within 30 days. These balances are unsecured and no interest is applicable on these accounts.

NOTE 11: PROVISIONS

Current		
Provisions for annual leave	165,940	123,272
Provision for Long Service Leave	32,274	-
	198,214	123,272
Non-Current		
Provisions for long service leave	9,623	24,125
	207,837	147,397
Aggregate employee entitlement liability		
	29	32

	Elected Officials (Office holders)	Employees (other than Elected Officials)	Total
	\$	\$	\$
Analysis of Total Provisions			
Annual Leave	-	165,940	165,940
Long Service Leave	-	41,897	41,897
Redundancy	-	-	-
Other	-	-	-
	-	207,837	207,837

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (CONT'D)

NOTE 12: EMPLOYEE BENEFITS

Employee benefits paid/accrued during the year	Elected Officials (Office holders)	Employees (other than Elected Officials)	Total
	\$	\$	\$
Wages and Salaries	-	2,576,364	2,576,364
Annual Leave and Long Service Leave	-	17,771	17,771
Redundancy Payments	-	-	-
Other Employee Expenses	-	148,456	148,456
Superannuation	-	226,032	226,032
Total	-	2,968,623	2,968,623

NOTE 13: FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

The Branch's financial instruments consist mainly of deposits with banks, short term investments, accounts receivable and payable, and investments in an unlisted company.

The Branch does not have any derivative instruments at 30 June 2013.

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 meets 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.

As at 30 June 2013, 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:

	2013 \$	2012 \$
Change in profit/(loss)		
Increase in interest rate by 1%	15,558	31,321
Decrease in interest rate by 1%	15,558	31,321
Change in equity		
Increase in interest rate by 1%	15,558	31,321
Decrease in interest rate by 1%	15,558	31,321

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (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 \$	Fixed Interest Rate Maturities			Total \$
				1 to 5 years \$	Over 5 years \$	Non Interest Bearing \$	
30 June 2013							
Assets:							
Cash	4.30	1,555,827	-	-	-	1,000	1,556,827
Trade and Sundry Debtors		-	-	-	-	1,011,881	1,011,881
		1,555,827	-	-	-	1,012,881	2,568,708
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	(2,145,296)	(2,145,296)
		-	-	-	-	(2,145,296)	(2,145,296)
Net financial assets		1,555,827	-	-	-	(1,132,415)	423,412
30 June 2012							
Total financial assets	5.00	3,132,119	-	-	-	1,088,946	4,221,065
Total financial liabilities		-	-	-	-	(2,638,945)	(2,638,945)
Net financial assets		3,132,119	-	-	-	(1,549,999)	1,582,120

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 2013 (CONT'D)

NOTE 14: RELATED PARTIES

a. QLD Branch Board members

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

Damian Long, Gavin Turner, Terry Lynch, Phil Cassell, John Clark, Terry Cogill, Mark Goodwin, Peter Kendall, Marc Kuypers, Richard Nyholt, Mark Panizza

The members did not receive fees for attendance at meetings, nor did they accrue any employee entitlements.

The officeholders received no 'non cash' benefits (2012: \$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 organisation because:-

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

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

Robert Row	- Chief Executive Officer
Tamara Andary	- General Manager - Member Services, Marketing and Events
Phill Grant	- Business Development Manager
Christopher Price	- Business Development Manager
Les Hart	- Facilities Manager
Stephen Perkins	- General Manager - Finance and Civil Train
Geoff Scott	- Operations Manager - Civil Train
Deborah Niehoff	- Curriculum Manager

Key Management Personnel Remuneration	2013 \$			2012 \$		
	Short Term Benefits \$	Post Employment Benefits \$	Total \$	Short Term Benefits \$	Post Employment Benefits \$	Total \$
Total Compensation	1,076,413	96,877	1,173,290	569,442	51,250	620,692

Redundancy payments amounted to \$10,384, no share based payments were received.

d. Other transactions with the Federation

Entities related to QLD 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (CONT'D)

NOTE 14: RELATED PARTIES (cont'd)

e. Civil Contractors National Office and Branches

At the end of financial year an amount of \$59,982 (2012: \$30,095) was receivable from CCF branches and \$1,837 (2012:\$1,707) was owed to CCF Branches. Further, an amount of \$185,000 (2012 : \$131,877) was paid to the National Office for the National Office levy charged.

	2013 \$	2012 \$
NOTE 15: CASH FLOW INFORMATION		
Reconciliation of Cash		
Cash at bank and deposit	1,556,827	3,133,119
	1,556,827	3,133,119
Reconciliation of profit from ordinary activities after income tax to net cash provided by operating activities		
Operating profit after income tax	817,513	1,321,161
Non-cash flows in surplus/(deficit) from ordinary activities		
- Depreciation and amortisation	370,823	269,083
- Skills Centre Funding	(194,202)	-
Changes in assets and liabilities		
Decrease/(Increase) in receivables	106,190	127,747
Decrease/(Increase) in inventories	21,366	(105,989)
Decrease/(Increase) in other assets	(30,125)	1,502
(Decrease)/Increase in payables and other creditors	(381,007)	471,420
Net cash provided by operating activities	710,558	2,084,924

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (CONT'D)

	2013 \$	2012 \$
NOTE 16: OPERATING COMMITMENTS		
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
- not later than 12 months	-	36,548
- between 12 months and five years	-	-
- greater than five years	-	-
	-	36,548

NOTE 17: EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances have occurred since the end of the financial year which significantly affect, or may significantly affect, the operations of the Branch, the results of those operations or the state of affairs of the Branch in future financial years.

NOTE 18: CONTINGENT LIABILITIES

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

NOTE 19: ECONOMIC DEPENDENCY

The Branch is economically dependent on ongoing funding in the form of membership fees, existing worker training from contractors and new entrant training income from the QLD Department of Education, Training and Employment.

NOTE 20: FEDERATION DETAILS

The registered office and the principal place of business of the Branch is:
 Civil Contractors Federation
 Queensland Branch
 11 Hi Tech Court
 Eight Mile Plains QLD 4113

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

Report on the Financial Report

We have audited the accompanying financial report of Civil Contractors Federation (QLD Branch) ("the Federation") which comprises the statement of financial position as at 30 June 2013 and the statement of profit and loss, statement of comprehensive income, statement of changes in members fund and the cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the QLD Branch Board.

Board's Responsibility for the Financial Report

The QLD's Branch Committee of the Federation is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the Reporting Guidelines of the General Manager of FWC and other mandatory financial reporting requirements in Australia. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud and error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIVIL CONTRACTORS FEDERATION (QLD BRANCH) (CONT'D)

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's opinion

1. In our opinion the financial report of Civil Contractors Federation (QLD Branch) at 30 June 2013 is presented fairly in accordance with the applicable Australian Accounting Standards and the requirements imposed by the general manager of Fair Work (Registered Organisations) Act 2009.
2. In relation to recovery of wages activity, there has been no recovery of wages activity during the year.
3. There were kept by CCF (QLD Branch) in respect of the year to 30 June 2013 satisfactory accounting records detailing the sources and nature of the income (including income from members) and the nature and purpose of the expenditure of CCF (QLD Branch).

STANNARDS ACCOUNTANTS & ADVISORS



M B SHULMAN CA (Holder of Current Public Practice Certificate and Approved Auditor)
Partner
Company Auditor Registration no. 163888

Dated in Melbourne this 13th day of August 2013



**CIVIL CONTRACTORS
FEDERATION**

BRISBANE

11 Hi-Tech Ct
Eight Mile Plains QLD 4113

P: 07 3360 7933

F: 07 3360 7944

E: ccfqld@ccfqld.com
www.ccfqld.com

CAIRNS

Unit 15,
136 Aumuller Street
Bungalow QLD 4870

P: 07 4031 0198

F: 07 4051 8054