



14 November 2018

Mr Peter Kendall
President, Queensland Branch
Civil Contractors Federation

Dear Mr Kendall

Re: – Financial reporting – Civil Contractors Federation, Queensland Branch - for year ending 30 June 2018 (FR2018/46)

I acknowledge receipt of the financial report of the Queensland Branch of the Civil Contractors Federation, in respect of the year ending 30 June 2018. The documents were lodged with the Registered Organisations Commission ('the ROC') on 29 September 2018. An amended Designated Officer certificate was received on 13 November 2018.

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

Please note the report for year ending 30 June 2019 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. However, I make the following comments to assist you when preparing the next report. The ROC will confirm these matters have been addressed prior to filing next year's report.

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

Section 268 of the RO Act requires a copy of the full report and the designated officer's certificate to be lodged with the ROC within 14 days after the general meeting of members referred to in section 266. The amended designated officer's certificate indicates that this meeting occurred on 4 October 2018. This means the documents should not have been lodged with the ROC until after that date.

Auditor's report - all parts of GPFR

The Auditor's Statement is required to identify the title of each statement comprising the financial report in accordance with paragraph 24c of Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report*. A general purpose financial report prepared under section 253 of the RO Act also includes the expenditure report required to be prepared under section 255(2A) and as prescribed by Reporting Guideline 22, and, if one is completed in accordance with Reporting Guideline 21, the Officer's Declaration Statement. (See subsection 253(2)(c) of the RO Act.) It was not necessary for the auditor's report to refer to an officer

declaration statement because one was not completed. However, the auditor's statement omitted reference to the expenditure report.

Nil Activities disclosure

Item 21 of the Reporting Guidelines states that if any activities identified in items 10-20 have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in an Officer's Declaration Statement.

The nil activity disclosure for RG12 – i.e. acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission - was located in the Operating report prepared under section 254. It should have been located in the general purpose financial report prepared under section 253 (to which the reporting guidelines apply).

The notes otherwise contained nil activity information for all other prescribed RG activities except for RG20 – i.e. make a payment to a former related party of the reporting unit.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 Reporting Guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

Yours faithfully



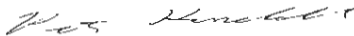
Stephen Kellett
Financial Reporting
Registered Organisations Commission

CIVIL CONTRACTORS FEDERATION (Queensland Branch)
s. 268 *Fair Work (Registered Organisations) Act 2009*

Certificate for the year ended 30 June 2018

I, *Peter Kendall* being the President of the *Civil Contractors Federation (Queensland Branch)* certify:

- That the documents lodged herewith are copies of the full report for the Civil Contractors Federation – Queensland Branch for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- That the full report was provided to members of the reporting unit on 29th August 2018 and
- That the full report was presented at the Annual General Meeting of the reporting unit on the 4th October 2018 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.



Signature of prescribed designated officer:

Name of prescribed designated officer:

Peter Kendall

Title of prescribed designated officer:

President – Civil Contractors Federation – Queensland Branch Board

Dated: 5th November 2018



QUEENSLAND ANNUAL REPORT

2017-2018



CIVIL CONTRACTORS
FEDERATION

Table of Contents

EXECUTIVE REPORT.....	3
EXECUTIVE REPORT (CONT'D)	4
Operating Report.....	5
for the Year Ended 30 June 2018	5
Operating Report.....	6
for the Year Ended 30 June 2018	6
Operating Report.....	7
for the Year Ended 30 June 2018 (cont'd)	7
Operating Report.....	8
for the Year Ended 30 June 2018 (cont'd)	8
QLD Committee of Management Statement	9
for the Year Ended 30 June 2018	9
Auditor's Independence declaration to the Board of the Civil Contractors Federation – Queensland Branch	11
Expenditure Report.....	12
For the Year ended 30 June 2018.....	12
Statement of Profit or Loss for the Year Ended 30 June 2018	13
Statement of Comprehensive Income for the Year Ended 30 June 2018	14
Statement of Financial Position	15
as at 30 June 2018	15
Statement of Changes in Members' Fund.....	16
for the Year Ended 30 June 2018	16
Statement of Cash Flow	17
for the Year ended 30 June 2018	17
Notes to the Financial Statements for the Year Ended 30 June 2018	18
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	19
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	20
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	21
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	22
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	23
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	24
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	25
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	26
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	27
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	28
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	29
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	30
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)	31
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	32
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)	33
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	34
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)	35
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	36
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	37
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	38
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	39
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	40
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	41
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	42
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	43
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	44
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	45
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	46
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	47
Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd).....	48

EXECUTIVE REPORT

The last financial year has been more of the same for the industry and a rebuilding for the Civil Contractors Federation Queensland Branch (CCF QLD).

Private sector projects have been steady and whilst there are signs of activity, demonstrated by key projects under construction, the industry has seen low volumes of projects in some sectors. Regionally there was promise of increased activity which did not fully materialise during the year. Margins are still very low.

The Queensland branch has seen renewed interest in membership on the back of a closer connection with members and stronger advocacy and offerings. The Queensland branch events have been well received and the feedback was used to shape future events. Training Services revenues were again well short of budget.

The Queensland Branch had a high staff turnover in the first half of the year and the staffing has been relatively stable in the last part of the year. Operating and overhead costs have been reduced significantly and the balance sheet has been fully reconciled which resulted in a significant write back of impairments.

The Queensland Branch over the last year increased contact with members through site and face to face at events. Three member committees have been established. These are:

- ✎ Work Place Health and Safety Committee
- ✎ Diversity in Civil Construction Committee
- ✎ Transport and Main Roads Technical Committee

Advocacy has been building on last year. The Queensland branch represents the industries interests at various State Government committees. These are:

- ✎ The Department of Transport and Main Roads
- ✎ The Department of State Development, Manufacturing, Infrastructure and Planning
- ✎ Department of Housing and Public Works

The Queensland Branch has continued to work on the quality and relevance of our events.

Events held throughout the year included;

- ✎ Women in Civil cocktail night
- ✎ Queensland Gala Awards Night
- ✎ Golf days in Brisbane, Sunshine Coast and the Gold Coast
- ✎ Industry meetings and dinners in Cairns, Townsville, Mackay, Sunshine Coast, Gold Coast and Brisbane.

Training Services, throughout the year, has supported the training in Western Australia, worked on improving systems, compliance and the quality of the training. The Townsville office has been supported with the relocation of the Finance Compliance Manager from Brisbane to be permanently in Townsville. New training staff has also been engaged.

EXECUTIVE REPORT (CONT'D)

I would like to thank the CCF QLD Board and staff for their support as we work to build a better and stronger CCF Queensland.

CCF QLD will continue to be the voice for the construction industry and will build on the improvements in order to enhance the prosperity of our members.



DAMIAN LONG
CHIEF EXECUTIVE OFFICER
CIVIL CONTRACTORS FEDERATION
QUEENSLAND BRANCH



PETER KENDALL
PRESIDENT
CIVIL CONTRACTORS FEDERATION
QUEENSLAND BRANCH

Operating Report for the Year Ended 30 June 2018

The Committee of Management presents its operating report on Civil Contractors Queensland Branch (QLD Branch) for the year ended 30 June 2018.

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 and the general public 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 incurred a loss of \$1,246,010 (2017 loss of \$783,309).

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. Other advocacy included, procurement, WH&S, security of payments, skills development and training, government spending, forms of contract and tax reform.

The Branch has also continued service provision in workplace training to meet industry demand. Such demand has however fallen significantly again this year, impacting revenue earned. A full analysis of the budget and development of a new strategy was implemented and planned and captured significant accounting anomalies from successive previous financial years. The financial operating systems have been fully overhauled to deliver transparent and robust reporting.

Continued education and promotion of contractors has also occurred.

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

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

Principal activities s254(2)(a) - (cont'd)

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 FINANCIAL AFFAIRS S254(2)(B)

Matters and circumstances that arose which significantly affected the financial affairs of the branch were:

- Declining trainee volumes
- Balance sheet impairments brought to account.
- Write off of stock purchased in previous financial years
- Unbudgeted costs associated with terminations
- Exiting training operations in Western Australia.
- 6 months unbudgeted loss of training centre drawdown
- Engaging and integrating new staff

Officers or Members who are Superannuation Fund Trustee(s) or Director of a Company that is a Superannuation Fund Trustee where being a Member or Officer of a Registered Organisation is a criterion for them holding such position S254(2)(D)

No officers and members hold positions as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of the Branch.

NUMBER OF MEMBERS RO reg 159(a)

The number of persons who, at the end of the financial year, were recorded on the Register of members was: 86 full members and 82 associate members. (2017; 78 full members and 81 associate members).

NUMBER OF EMPLOYEES RO reg 159(b)

The number of persons who were, at the end of the financial year, full time employees of the QLD Branch of the Federation was 20 (2017; 24).

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

QLD BRANCH COMMITTEE OF MANAGEMENT MEMBERS reg 159(c)

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

Name	Position	Period
<i>Gavin Turner</i>	Acting Branch President	01-07-17 – 12-09-17
Peter Kendall	Branch President	13-09-17 – 30-06-18
Tim McIlwain	Branch Vice President	13-09-17 – 30-06-18
Mark Goodwin	Branch Treasurer	13-09-17 – 30-06-18
Terry Lynch	Branch Treasurer	01-07-17 – 12-09-17
Luke Bird	Branch Board Member	01-07-17 – 30-06-18
Gavin Turner	Branch Board Member	13-09-17 – 30-06-18
Terry Cogill	Branch Board Member	01-07-17 – 30-06-18
Mark Goodwin	Branch Board Member	01-07-17 – 12-09-17
Peter Kendall	Branch Board Member	01-07-17 – 12-09-17
Tim McIlwain	Branch Board Member	01-07-17 – 12-09-17
<i>Mark Panizza</i>	Branch Board Member	01-07-17 – 30-06-18
David Moody	Branch Board Member	13-09-17 – 30-06-18
<i>Stephen Beck</i>	Branch Board Member	13-09-17 – 30-06-18

Manner of resignation

Members may resign from the Branch in accordance with Section 174 of the Fair Work (Registered Organisations) Act 2009 and with rule 9 of the Civil Contractors Federation Constitution and Rules, which reads as follows:

"9 - RESIGNATION OF MEMBERS

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



Peter Kendall
PRESIDENT
CIVIL CONTRACTORS FEDERATION
QUEENSLAND BRANCH

Dated in Queensland, on the 22nd day of August 2018

QLD Committee of Management Statement for the Year Ended 30 June 2018

On 22nd Day of August 2018, the Committee of Management 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 30th June 2018.

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) in relation to recovery of wage activity, there has been no recovery of wage activities during the year.

**QLD Committee of Management Statement
for the Year Ended 30 June 2018 (cont'd)**

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



Peter Kendall
PRESIDENT
CIVIL CONTRACTORS FEDERATION
QUEENSLAND BRANCH

Dated in Queensland, on the 22nd day of August 2018

**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 2018 there have been: –

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

Stannards Accountants & Advisors

STANNARDS, ACCOUNTANTS AND ADVISORS
1/60 TOORAK ROAD, SOUTH YARRA VIC 3141



MICHAEL SHULMAN
REGISTERED COMPANY AUDITOR: 163888
HOLDER OF CURRENT PUBLIC PRACTICE CERTIFICATE
APPROVED AUDITOR (FWC ACT AND REGULATIONS – AA2018/45)

Dated in Queensland, on the 22nd day of August 2018

Expenditure Report For the Year ended 30 June 2018

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

	Note	2018 \$	2017 \$
CATEGORIES OF EXPENDITURE			
Remuneration and other employment-related costs and Expenses - employees		2,059,644	2,235,153
Advertising		46,638	79,395
Operating Costs		1,896,971	2,264,618
Donations to Political Parties		318	900
Legal Costs		2,984	23,455
Total		4,006,555	4,603,521



Peter Kendall
PRESIDENT
CIVIL CONTRACTORS FEDERATION
QUEENSLAND BRANCH
Dated in Queensland, on the 22nd day of August 2018

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

	Note	2018 \$	2017 \$
Revenues	3	2,760,545	3,820,212
Employee expenses	4f	(2,059,644)	(2,235,153)
Rental expenses	4c	(60,267)	(57,658)
Functions, seminars and conference costs		(227,970)	(409,063)
Direct training costs and resource development		(338,950)	(347,777)
Depreciation and amortisation	4d	(364,269)	(390,063)
Bad and doubtful debts	4a	(6,672)	(10,304)
Auditor's Remuneration	4b	(9,730)	(11,950)
Advertising & promotion		(46,638)	(79,395)
Communications		(54,689)	(66,698)
Computer Support / Maintenance		(80,101)	(87,954)
National Levy	4e	(104,500)	(104,500)
Staff Training & development		(6,702)	(1,731)
Printing & stationery		(13,262)	(9,605)
Travelling expenses		(36,104)	(58,904)
Merchant fees and bank charges		249	(1,677)
Motor vehicle expenses		(108,082)	(99,643)
Consultancy Fees		(66,417)	(74,157)
Other expenses from ordinary activities	4g	(422,807)	(557,289)
Profit from ordinary activities before income tax expense		(1,246,010)	(783,309)
Income tax expense	1a	-	-
Net profit from ordinary activities after income tax expense attributable to the Branch		(1,246,010)	(783,309)

The accompanying notes form part of the financial statements

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

	2018	2017
	\$	\$
(Loss) / Profit for the period	(1,246,010)	(783,309)
Other Comprehensive Income for the period (net of tax)	-	-
Total Comprehensive (Loss) / Income for the period	(1,246,010)	(783,309)
Total Comprehensive (Loss) / Income attributable to members of the organisation	(1,246,010)	(783,309)

The accompanying notes form part of the financial statements

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

	Note	2018 \$	2017 \$
CURRENT ASSETS			
Cash and cash equivalents	5	466,460	712,471
Trade and other receivables	6	545,347	1,251,751
Inventories	7	-	133,288
Other current assets	8	139,177	186,438
TOTAL CURRENT ASSETS		1,150,984	2,283,948
NON-CURRENT ASSETS			
Financial assets	9	57,202	71,454
Plant and equipment	10	7,589,841	7,886,233
TOTAL NON-CURRENT ASSETS		7,647,043	7,957,687
TOTAL ASSETS		8,798,027	10,241,635
CURRENT LIABILITIES			
Trade and other payables	11	1,004,042	1,235,068
Short term provisions	12a	85,760	94,870
Borrowings	14	11,241	-
TOTAL CURRENT LIABILITIES		1,101,043	1,329,938
NON-CURRENT LIABILITIES			
Borrowings	14	31,297	-
TOTAL NON-CURRENT LIABILITIES		31,297	-
TOTAL LIABILITIES		1,132,340	1,329,938
NET ASSETS		7,665,687	8,911,697
MEMBERS' FUNDS			
Accumulated Surplus		7,665,687	8,911,697
TOTAL MEMBERS' FUNDS		7,665,687	8,911,697

The accompanying notes form part of the financial statements

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

	2018	2017
	\$	\$
Balance as at 1 July 2017	8,911,697	9,695,006
(Loss) / Profit attributable to members	(1,246,010)	(783,309)
Balance at 30 June 2018	7,665,687	8,911,697

The accompanying notes form part of the financial statements

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

	Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		3,165,944	3,599,127
Receipts from related entities – National Office		32,371	35,319
Receipts from related entities – TAS Branch		-	251
Receipts from related entities – Victoria Branch		1,982	660
Receipts from related entities – WA Branch		261,038	13,274
Payments to suppliers and employees		(3,608,515)	(3,947,714)
Payments to related entities – National Office		(111,847)	(94,405)
Payments to related entities – Victoria Branch		(400)	(1,378)
Payments to related entities – WA Branch		-	(98,182)
Interest received		5,614	12,904
Net cash provided by operating activities	17b	(253,813)	(480,144)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(57,794)	(86,433)
Net proceeds of sale of plant and equipment		23,058	363
Net cash (used in) investing activities		(34,736)	(86,070)
CASH FLOWS FROM FINANCING ACTIVITIES			
Borrowings		42,538	-
Net cash (used in) financing activities		42,538	-
Net (decrease)/increase in cash held		(246,011)	(566,214)
Cash at the beginning of the financial year		712,471	1,278,685
Cash at the end of the financial year	17a	466,460	712,471

The accompanying notes form part of the financial statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

Prior Year Comparatives

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

Accounting Policies

a. Income Tax

The 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.

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

c. Plant and Equipment (cont'd)

Cost and valuation

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

The carrying amount of plant and equipment is reviewed annually by the Branch Committee of Management 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:

	2018	2017
Leasehold improvements	2.5% - 33.33%	2.5% - 33.33%
Office plant and equipment	10%-20%	10%-37.5%
Furniture and Fittings	18.75%	18.75%
Motor Vehicles	12.5%-40%	12.5%-40%

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

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

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

d. Trade and other Receivables

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

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

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

e. Trade and other Payables

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

f. Financial Instruments

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

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

g. Employee Benefits

Short-term employee benefits

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

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

Long-term employee benefits

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

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

g. Employee Benefits (cont'd)

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

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

Superannuation

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

The number of employees at the end of the period was 20.

h. 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 written down value 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.

i. Goods and Services Tax (GST)

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

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

i. Goods and Services Tax (GST) (cont'd)

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.

j. Revenue

Revenue from membership subscriptions is recognised proportionately over the period to which it relates. Any contribution received in advance for the next period is included in deferred income.

Revenue from the rendering of a service is recognised in proportion to the stage of completion of the service, this includes grant income which entails reciprocal conditions imposed upon the Branch.

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

All other revenue is recognised on an accruals basis.

k. 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.

l. Fair Value of Assets and Liabilities

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

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

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may

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

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

be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

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

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

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

m. Capitation Fees

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

n. Critical Accounting Estimates and Judgements

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

Key Estimates – Impairment

The Committee of Management 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 2018, except as stated in the report.

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

n. Critical Accounting Estimates and Judgements (cont'd)

Key Judgements - Doubtful Debts Provision

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

o. New Accounting Standards for Application in Future Periods

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

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

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

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

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

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

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

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

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

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

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

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

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

- new lessee accounting requirements for leases at significantly below-market terms and conditions (commonly known as “peppercorn leases”) principally to enable the lessee to further its objectives. This requires the lessee to recognise the leased asset / right-of-use asset at fair value per AASB 13, the lease liability per AASB 117/AASB 16 and the residual as income (after related amounts) at the inception of the lease per AASB 1058;
- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;

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

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

- application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
- inclusion of additional disclosure requirements.

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

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

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

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

The significant accounting requirements of AASB 1058 are as follows:

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

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

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

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

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

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

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

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

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

This pronouncement is not expected to impact the Branch.

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

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

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

Information to be provided to members or Commissioner:

1. A member of a reporting unit, or the Commissioner, 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).

q. Going Concern

The Committee of Management believe based on forecasts for the 2018/19 year that a going concern basis continues to be appropriate. The branch is not reliant on agreed financial support to continue as a going concern, nor has it agreed to provide such support to ensure other branches can operate as a going concern.

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

NOTE 2: FUND ANALYSIS

For the financial year ended 30 June 2018, there was no applicable fund or account operated in respect of compulsory levies, voluntary contributions or required by the rules of the Branch; and

- there was no transfer and/or withdrawal from a fund, account, asset or controlled entity which is kept for a specific purpose.

	2018 \$	2017 \$
NOTE 3: REVENUE		
Operating activities:		
Training courses and funding	1,421,785	2,092,688
Member subscriptions	448,548	493,868
Function meeting and other activities	181,113	217,355
Interest income	5,614	12,904
Sponsorship income	271,695	267,250
Skills Centre Funding	194,202	388,404
CSQ Capability Skills Contract	76,750	96,000
Other income	141,649	249,661
IMS Systems	300	2,082
Profit on sale of disposal	18,889	-
Capitation Fee	-	-
Director Fees	-	-
Affiliation Fees	-	-
Compulsory Levies	-	-
Donations > \$1,000	-	-
Donations < \$1,000	-	-
Grants > \$1,000	-	-
Grants < \$1,000	-	-
Grants & Government Funding	-	-
Financial Support- other Branches	-	-
Other Revenue Derived From Undertaking	-	-
Recovery of Wager Activity	-	-
Total Revenue	2,760,545	3,820,212

**NOTE 4: PROFIT FROM ORDINARY
ACTIVITIES**

The operating profit of the Branch before income tax expense has been determined after:

a. Bad and Doubtful Debts

Bad debts written off	6,672	10,304
Provision for doubtful debts	-	-
	6,672	10,304

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

NOTE 4: PROFIT FROM ORDINARY ACTIVITIES (cont'd)	2018 \$	2017 \$
b. Auditor's Remuneration		
Accounting fees – other parties	-	2,250
Auditor's remuneration – Financial Statement Audit (\$nil for other services)	9,730	9,700
	9,730	11,950
c. Rental Expense on Leases		
Office rental	60,267	57,658
d. Depreciation and Amortisation		
Plant and equipment and National Resource Training Unit amortisation	364,269	390,063
	364,269	390,063
e. Levy		
National office levy	104,500	104,500

The levy is imposed by the CCF National Office to assist in funding the National Office operations. No other levies were paid during the year (2017: \$nil). There were no other levies (voluntary or compulsory) paid by the Branch (2017: \$nil)

	2018 \$	2017 \$
f. Employee related expenses		
Salaries	1,785,088	2,025,383
Superannuation	163,818	178,547
Separation and Redundancies	17,126	15,385
Payroll Tax	100,046	116,301
Employee benefits (annual leave and long service leave)	(6,434)	(100,463)
	2,059,644	2,235,153
g. Other expenses include:		
Business Development	1,706	6,984
Board Meeting Costs	6,575	21,678
Postage	10,778	13,297
Fringe Benefit Tax	41,032	28,638
Member Service Costs	-	87,839
Payroll Deduction Costs	-	-
Subscriptions – Other	25,780	6,725
Donations > \$1,000	-	-

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

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

g. Other expenses include: (cont'd)

Donations < \$1,000	318	900
Grants > \$1,000	-	-

h. Expenses – Financial Affairs Administered by Other Entities

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

	2018 \$	2017 \$
Grants < \$1,000	-	-
Meeting Attendance Allowances / Fees	-	-
Legal costs – Litigation	-	-
Legal costs – Consultation (Other Matters)	2,984	23,455
Affiliation Fees	-	-
Fees / allowances – meetings and conferences	-	-
Penalties – via RO Act or RO Regulations	-	-
Capitation Fees	-	-
Consideration to employers for making payroll deductions	-	-
Disposal loss on Fixed Assets	-	3,540
Levies – Other Parties	-	-
Other	333,634	364,233
	<u>422,807</u>	<u>557,289</u>

NOTE 5: CASH AND CASH EQUIVALENTS

Current

Cash on hand	6,746	8,655
Cash at bank	175,296	213,987
Short-term bank deposits	284,418	489,829
	<u>466,460</u>	<u>712,471</u>

The weighted average interest rate for cash as at 30 June 2018 is 1.2% (2017: 2%)

NOTE 6: TRADE AND OTHER RECEIVABLES

a. Current

Trade debtors	368,784	318,147
Less: Provision for doubtful debts	-	-
	<u>368,784</u>	<u>318,147</u>
Accrued Income	176,563	933,604
	<u>545,347</u>	<u>1,251,751</u>

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

NOTE 6: TRADE AND OTHER RECEIVABLES (cont'd)

b. 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. There are no past or impaired receivables (2017: \$nil). Details of the trade debtors owing from related parties outlined at Note 16f

	2018	2017
	\$	\$
NOTE 7: INVENTORIES		
a. Current		
Materials and supplies at net realisable value	-	133,288
NOTE 8: OTHER CURRENT ASSETS		
Current		
Prepayments	141,329	188,538
Deposits	(2,152)	(2,100)
	<u>139,177</u>	<u>186,438</u>
NOTE 9: FINANCIAL ASSETS		
a. Non-Current		
Investment in National Resource Training Unit	89,256	89,256
Amortisation of National Resource Training Unit	(32,054)	(17,802)
	<u>57,202</u>	<u>71,454</u>

The Branch holds 68.65% of National Resource Training Unit at reporting date. This is an unlisted investment.

c. Skills Centre

The Branch executed an agreement with DEEWR wherein it received \$1.766 million from that department to assist with the funding of the construction of an Industry Skills Centre. As at reporting date, all funding has been received and the Centre completed. The funding was amortised to profit and loss over a 5-year period in accordance with funding agreement deliverables, Final amortisation has been completed in the 2018 financial year. The Centre is reflected as a fixed asset in Note 10.

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

NOTE 10: PLANT AND EQUIPMENT

	2018	2017
	\$	\$
Land– at cost	1,850,000	1,850,000
Land & Buildings – at cost	6,919,247	6,919,247
Less: Accumulated depreciation	(1,620,800)	(1,378,617)
	5,298,447	5,540,630
Office equipment – at cost	676,694	663,889
Less: Accumulated depreciation	(416,015)	(360,633)
	260,679	303,256
Furniture & Fittings – at cost	57,692	57,239
Less: Accumulated depreciation	(39,632)	(35,507)
	18,060	21,732
Motor vehicles – at cost	446,057	450,895
Less: Accumulated depreciation	(283,402)	(280,280)
	162,655	170,615
Total plant and equipment – net book value	7,589,841	7,886,233

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

NOTE 10: PLANT AND EQUIPMENT (cont'd)

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	303,256	21,732	170,615	7,390,630	7,886,233
Additions	12,805	-	44,989	-	57,794
Disposals	-	-	(4,169)	-	(4,169)
Depreciation expense	(55,382)	(3,672)	(48,780)	(242,183)	(350,017)
Carrying amount at the end of the year	260,679	18,060	162,655	7,148,447	7,589,841

NOTE 11: TRADE AND OTHER PAYABLES

	2018 \$	2017 \$
a. Current		
Deferred income	445,273	771,204
Creditors and accruals	558,769	463,864
	<u>1,004,042</u>	<u>1,235,068</u>
Non-Current		
Deferred income	-	-

b. Terms and Conditions

Deferred income relates to cash receipts for membership fees, training and advertising revenue received for the year 2018-19. In the current year, it included 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. The funding has been amortised to profit and loss over a 5-year period in accordance with funding agreement deliverables. Final amortisation was completed in the 2018 financial year.

Creditors and accruals are settled within the terms of payments offered, which is usually within 30 days. These balances are unsecured and no interest is applicable on these accounts. No payables exist at reporting date (2017: \$nil) in respect of legal costs or consideration to employees for payroll deductions. Details of the trade payables owing from related parties are outlined at Note 16f.

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

	2018 \$	2017 \$
NOTE 12: PROVISIONS		
a. Current		
Provisions for annual leave	85,760	94,870
Provision for Long Service Leave	-	-
	85,760	94,870
b. Non-Current		
Provisions for long service leave	-	-
	-	-
c. Aggregate employee entitlement liability		
	85,760	94,870
	85,760	94,870
d. Number of employees at year-end		
	20	24
	20	24

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

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	2018 \$	2017 \$	2018 \$	2017 \$	2018 \$	2017 \$
Officeholders	-	-	-	-	-	-
Other Staff	85,760	94,870	-	-	85,760	94,870
Total	85,760	94,870	-	-	85,760	94,870

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

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

Provision for Employee Benefits

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

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

NOTE 12: PROVISIONS (cont'd)

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

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

NOTE 13: EMPLOYEE BENEFITS

EMPLOYEE BENEFITS Employee benefits paid/accrued during the year	Elected Officials (Office holders)		Employees (other than Elected Officials)		Total	
	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$
Wages and Salaries	-	-	1,785,088	2,025,383	1,785,088	2,025,383
Annual Leave and Long Service Leave	-	-	(6,434)	(100,463)	(6,434)	(100,463)
Redundancy Payments	-	-	17,126	15,385	17,126	15,385
Superannuation	-	-	163,818	178,547	163,818	178,547
Other employee expenses	-	-	100,046	116,301	100,046	116,301
Total	-	-	2,059,644	2,235,153	2,059,644	2,235,153

2018	2017
\$	\$

NOTE 14: BORROWINGS

a. Current

Hire Purchase Liability

11,241	-
--------	---

b. Non-Current

Hire Purchase Liability

31,297	-
--------	---

c. Terms and Conditions

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

NOTE 15: FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

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

The Branch does not have any derivative instruments at 30 June 2018.

i. Terms, Conditions and Accounting Policies

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

ii. Treasury Risk Management

The Branch Committee of Management 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 2018, the effect on profit and equity as a result of the changes in interest rate, with all other variables remaining constant would be as follows:

	2018 \$	2017 \$
Change in profit/(loss)		
Increase in interest rate by 1%	4,172	7,038
Decrease in interest rate by 1%	(4,172)	(7,038)
Change in equity		
Increase in interest rate by 1%	4,172	7,038
Decrease in interest rate by 1%	(4,172)	(7,038)

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

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

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

NOTE 15: FINANCIAL RISK MANAGEMENT (cont'd)

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 2018							
Assets:							
Cash	1.2%	459,714	-	-	-	6,746	466,460
Trade and Sundry Debtors		-	-	-	-	684,524	684,524
		459,714	-	-	-	691,270	1,150,984
Liabilities:							
Sundry Creditors & Other Liabilities	12.7%	-	(11,241)	(31,297)	-	(1,004,042)	(1,046,580)
		-	(11,241)	(31,297)	-	(1,004,042)	(1,046,580)
Net financial assets		459,714	(11,241)	(31,297)	-	(312,772)	104,404
30 June 2017							
Assets:							
Cash	2%	703,816	-	-	-	8,655	712,471
Trade and Sundry Debtors		-	-	-	-	1,438,189	1,438,189
		703,816	-	-	-	1,446,844	2,150,660
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	(1,235,068)	(1,235,068)
		-	-	-	-	(1,235,068)	(1,235,068)
Net financial assets		703,816	-	-	-	211,776	915,592

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.

NOTE 16: 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:

Gavin Turner, Terry Lynch, Luke Bird, Terry Cogill, Mark Goodwin, Peter Kendall, Tim McIlwain, Mark Panizza, David Moody and Stephen Beck.

Members of QLD Branch did not accrue any employee entitlements.

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

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

Damian Long - Chief Executive Officer
 Tamara Andary - General Manager - Marketing and Events
 Doris Westwood - Manager – Finance, Compliance and Townsville Office
 Adrian Kent - General Manager of Training Services
 Leanne Weier - Client Services Manager
 Cheryl Dallimore - Administration Manager – Civil Train. Terminated 8-11-2017
 Casy Ramage - Executive Assistant. Terminated 19-10-2017

c. Key Management Personnel Remuneration	2018 \$			2017 \$		
	Short Term Benefits \$	Post Employment Benefits \$	Total \$	Short Term Benefits \$	Post Employment Benefits \$	Total \$
Total Compensation	734,056	68,867	802,923	832,830	74,923	907,753

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

NOTE 16: RELATED PARTIES (cont'd)

b. Names and positions held by key management personnel in office at any time during the year (cont'd)

Redundancy payments amounted to \$17,126 (2017: \$15,385). These were paid to 2 employees (2017: 1) as part of wages and salaries, no share based payments were received, nor performance bonuses.

	2018			2017		
	Annual Leave	Long Service Leave	Total	Annual Leave	Long Service Leave	Total
d. Annual Leave and Long Service Leave Accrued for Key Management Personnel During the Year	\$	\$	\$	\$	\$	\$
Total Leave Provision	58,322	-	58,322	31,463	-	31,463

e. Transactions with National Office, Branches and Related Entities

Entities related to QLD Branch Board members paid membership fees, event costs and 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. Total transactions are as follows:

Membership fees \$56,964 (2017: \$44,106)
 Events \$23,676 (2017: \$29,915)
 Training \$98,578 (2017: \$40,202)
 Sponsorship \$19,500 (2017: \$Nil)

In addition to the above received amounts, CCF QLD paid a total of \$302.73 relating to Meeting Costs to 'CMC Group' (to which CCF QLD Branch President Peter Kendall is a Managing Director).

Transactions with officers and officer related entities.

These transactions were on normal commercial terms and conditions.

	2018	2017
	\$	\$
Levy Payment		
During the year, QLD Branch paid to the National Office a per capital payment calculated in accordance with the rules.	104,500	104,500

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

NOTE 16: RELATED PARTIES (cont'd)

f. Related Party balances at year end

Amounts receivable/(payable) at reporting date – Federal office and other branches	2018 \$	2017 \$
National Office	(2,813)	(5,445)
Victoria Branch	-	1,740
Western Australia	79,084	221,623
	<u>76,271</u>	<u>217,918</u>
	2018 \$	2017 \$
Balance Reconciliation- related entities: -		
National Office		
Carrying amount at beginning of the year	(5,445)	233
Levy charge	(104,500)	(104,500)
Sundry charges	(3,372)	(4,090)
Sundry income	31,028	43,826
Receipts	(32,371)	(35,319)
Payment made	111,847	94,405
Carrying amount at end of the year	<u>(2,813)</u>	<u>(5,445)</u>
Tasmania Branch		
Carrying amount at beginning of the year	-	-
Sundry charges	-	-
Sundry income	-	251
Receipts	-	(251)
Payment made	-	-
Carrying amount at end of the year	<u>-</u>	<u>-</u>
Victoria Branch		
Carrying amount at beginning of the year	1,740	110
Sundry charges	(400)	(1,378)
Sundry income	242	2,290
Receipts	(1,982)	(660)
Payment made	400	1,378
Carrying amount at end of the year	<u>-</u>	<u>1,740</u>
Western Australia Branch		
Carrying amount at beginning of the year	221,623	(97,357)
Sundry charges	-	(14,884)
Sundry income	118,499	248,956
Receipts	(261,038)	(13,274)
Payment made	-	98,182
Carrying amount at end of the year	<u>79,084</u>	<u>221,623</u>

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

NOTE 16: RELATED PARTIES (cont'd)

f. Related Party balances at year end (cont'd)

There is no provision for doubtful debts in respect of the related party balances listed above (2017: \$nil).

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

NOTE 17: CASH FLOW INFORMATION

	2018 \$	2017 \$
a. Reconciliation of Cash		
Cash at bank and deposit	466,460	712,471
	466,460	712,471
b. Reconciliation of profit from ordinary activities after income tax to net cash provided by operating activities		
Operating (loss) / profit after income tax	(1,246,010)	(783,309)
Non-cash flows in surplus/(deficit) from ordinary activities		
- Depreciation and amortisation	364,269	390,063
- Disposal (Gain) / Loss - Plant	(18,889)	3,540
- Write off of Financial Assets	-	84,194
Changes in assets and liabilities		
(Increase) / Decrease in receivables	706,404	(158,677)
(Increase) / Decrease in inventories	133,288	32,832
(Increase) / Decrease in other assets	47,261	121,468
Increase / (Decrease) in payables and employee entitlements	(240,136)	(170,255)
Net cash provided by operating activities	(253,813)	(480,144)

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

	2018 \$	2017 \$
NOTE 18: OPERATING COMMITMENTS		
Operating Lease Commitments – as lessee		
Future minimum rentals payable under non-cancellable operating leases at 30 June are:		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
- Within one year	-	-
- After one year but not more than five years	-	-
- More than five years	-	-
Operating Lease Commitments – as lessee	-	-
Operating Lease Commitments – as lessor		
Future minimum rentals payable under non-cancellable operating leases at 30 June are:		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
- Within one year	52,077	47,636
- After one year but not more than five years	156,005	248,144
- More than five years	-	-
Operating Lease Commitments – as lessor	208,082	295,780

NOTE 19: FINANCE LEASE COMMITMENTS

At 30 June 2018, the entity has nil finance lease commitments.

NOTE 20: CAPITAL COMMITMENTS

At 30 June 2018, the entity has nil capital commitments.

NOTE 21: FAIR VALUE MEASUREMENT

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

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

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

a. Fair Value Hierarchy

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

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

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

NOTE 21: FAIR VALUE MEASUREMENT (cont'd)

a. Fair Value Hierarchy (cont'd)

Valuation techniques

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

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

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

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

	30 June 2018			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Recurring fair value measurements				
<i>Financial assets</i>				
Financial assets available for sale:	-	57,202	-	57,202
Total financial assets recognised at fair value	-	57,202	-	57,202
<i>Non-financial assets</i>				
Freehold land & buildings	-	7,148,447		7,148,447
Total non-financial assets recognised at fair value	-	7,148,447		7,148,447

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

NOTE 21: FAIR VALUE MEASUREMENT (cont'd)

a. Fair Value Hierarchy (cont'd)

	30 June 2017			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Financial assets available for sale:	-	71,454	-	71,454
Total financial assets recognised at fair value	-	71,454	-	71,454
<i>Non-financial assets</i>				
Freehold land & buildings	-	7,390,630		7,390,630
Total non-financial assets recognised at fair value	-	7,390,630		7,390,630

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

Description	Fair Value at 30 June 2018 \$	Valuation Technique(s)	Inputs Used
<i>Financial assets</i>			
Available for sale:	57,202	Market approach: recent observable market data or discounted cashflows	Market unit price
<i>Non-financial assets</i>			
Financial assets at fair value through profit or loss:	7,148,447	Cost approach: using recent observable market data or discounted cashflows	Price per square metre, market borrowing rate

c. Disclosed Fair Value Measurements

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

- accounts receivable and other debtors; and
- accounts payable and other payables.

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

NOTE 21: FAIR VALUE MEASUREMENT (cont'd)

c. Disclosed Fair Value Measurements (cont'd)

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

NOTE 22: EVENTS SUBSEQUENT TO BALANCE DATE

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

NOTE 23: CONTINGENT ASSETS OR LIABILITIES

The Branch is not subject to any material contingent assets and/or liabilities at balance date.

NOTE 24: 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 25: OTHER DISCLOSURES

The Branch did not receive financial support from any other reporting unit during the year.

Except as disclosed in the Statement of Profit and Loss, there were no expenses in connection with holding meetings of members of the Branch and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the Branch was wholly or partly responsible.

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

At 30 June 2018, there was \$nil payable in respect of legal costs (2017: \$Nil). No payable exists at reporting date in respect of consideration to payroll deductions of membership subscriptions (2017: \$nil).

NOTE 26: FEDERATION DETAILS

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

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

To the Members of Civil Contractors Federation – QLD Branch

Report on the Audit of the Financial Report

Auditor's Opinion

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

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

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

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

Basis for Opinion

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

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

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

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

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

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

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

Responsibilities of Committee of Management for the Financial Report

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

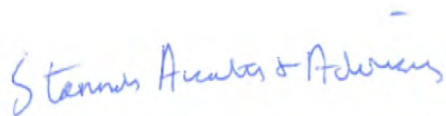
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

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

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

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



Stannards Accountants and Advisors



Michael B Shulman
Partner

Melbourne, VIC
Dated: 22 August 2018

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



BRISBANE

11 Hi-Tech Court
Eight Mile Plains QLD 4113

P: 07 3360 7933

E: admin@ccfqld.com

TOWNSVILLE

Unit 13, 547 Woolcock Street
Mount Louisa QLD 4814

P: 07 4774 8014

E: admin@ccfqld.com

www.ccfqld.com