



FAIR WORK  
AUSTRALIA

11 May 2010

Mr Raj Rajaramanan  
Finance Manager  
Civil Contractors Federation - South Australia

Email: [raj.r@civiltrainsa.com.au](mailto:raj.r@civiltrainsa.com.au)

Dear Mr Rajaramanan

### **Financial Report for the year ended 30 June 2009**

I acknowledge receipt of the financial report of the South Australian Branch of the Civil Contractors Federation for the year ended 2009. The documents were lodged with Fair Work Australia on 5 March 2010.

I also acknowledge receipt on 22 April 2010 of your email forwarding further documentation including amended auditor's report (from Cleland McFarlane Selth), Designated Officer's Certificate and 2009 Annual General Meeting Notice.

The financial report has now been filed.

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.

#### **References to legislation**

In future years please ensure that all financial documents refer to the relevant provisions of the current legislation:

Fair Work (Registered Organisations) Act 2009

Fair Work (Registered Organisations) Regulations 2009.

The [Reporting Guidelines](#) previously issued by the Industrial Registrar continue to apply under the above legislation.

#### **Materiality**

AASB 101(29) requires material items to be presented separately. Note 2 to the financial statements reports \$1,340,943 as income, which is a material amount. In future years please ensure that any material items within income are separately disclosed.

Operating Report – results of the principal activities

[Subsection 254\(2\)\(a\) of the RO Act](#) requires an operating report to contain a review of the principal activities of the reporting unit, *the results of those activities* (my emphasis) and any significant changes in the nature of those activities. I note that the Operating Report lodged by the AEIA provides a review of the principal activities and changes to them, but does not describe the results of those activities. Although the Operating Report provides a statement regarding the operating results, it is the view of this office that subsection 254(2)(a) requires a descriptive review of the results of the principal activities, not an operating (financial) result. Please ensure that future operating reports provide such a description.

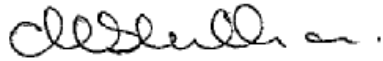
Operating Report – significant changes in financial affairs

[Subsection 254\(2\)\(b\) of the RO Act](#) requires an operating report to give details of any significant changes in the financial affairs of the AEIA during the year. As no details were provided in the Operating Report lodged, I assume that there were no significant changes. In future years if there

were no significant changes in the financial affairs of the AEIA during the financial year, then this should be explicitly stated.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7822 or by email at [margaret.williams@fwa.gov.au](mailto:margaret.williams@fwa.gov.au).

Yours sincerely

A handwritten signature in black ink, appearing to read 'Margaret Williams', followed by a period.

Margaret Williams  
Tribunal Services and Organisations



# Civil Contractors Federation

SOUTH AUSTRALIAN BRANCH: 60 Woodville Road, Woodville SA 5011  
Telephone: (08) 8244 0922 • Fax: (08) 8244 0933 • ABN: 65 484 720 549  
E-mail: [ccfsa@civilcontractors.com](mailto:ccfsa@civilcontractors.com) • [www.civilcontractors.com](http://www.civilcontractors.com)

12th April 2010

Ms Margaret Williams  
Fair Work Australia  
GPO Box 1994  
Melbourne  
VIC 3001

Dear Madam,

**Re: Civil Contractors Federation SA Branch lodgement of financial reports for year ended 30th June 2009**

I refer to your letter dated 6th April 2010 and to your subsequent telephone discussion with our Finance Manager, Raj Rajaramanan.

I hereby confirm that the Civil Contractors Federation SA Branch held it's 2009 annual general meeting on 9th September 2009 where the full financial report for the year ended 30th June 2009 was presented and accepted by members.

A copy of the annual general meeting notice is attached for your information.

Should you require any further information please feel free to contact us.

Yours Sincerely,

Christopher Reynolds

Branch President



# Civil Contractors Federation

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## 2009 Annual General Meeting Notice

5 August 2009

Dear Member

Notice is hereby given pursuant to the rules of the Civil Contractors Federation that the Annual General Meeting of Members of the Civil Contractors Federation SA Branch is to be held on September 9, 2009.

Meeting details and the Agenda for the meeting are set out below. Also attached are the Minutes of the 2008 Annual General Meeting and the 2008/09 Annual Report which includes the full Financial Reports and Auditor's Report for the year ended 30 June 2009.

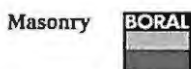
Date: Wednesday September 9, 2009  
Time: 6.15pm for 7.00pm start  
Location: Sunnybrae Function Centre  
Tikalara Street, Regency Park (enter via Tikalara St or Gallipoli Gr)

### CCF SA Agenda

1. Welcome
2. Apologies
3. Adoption of Minutes
4. President's Report
5. Acceptance of Annual Accounts
6. Subscriptions for 2008/2009
7. Appointment of Auditor
8. Appointment of Returning Officers
9. Declaration of Office Bearers
10. General Business

Yours sincerely

Peter Nolan  
Chief Executive Officer  
SA Branch



Gold Sponsor



♦ Sponsor



Gold Sponsor

Registered under the Workplace Relations Act 1996

**CIVIL CONTRACTORS FEDERATION - SA BRANCH**

**DESIGNATED OFFICER'S CERTIFICATE  
FOR THE YEAR ENDED 30 JUNE 2009**

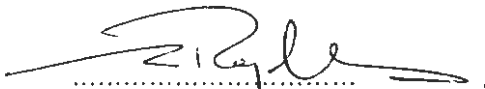
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**DESIGNATED OFFICER'S CERTIFICATE**

In accordance with section s268 of Schedule 1 Workplace Relations Act 1996

I Christopher Reynolds being the designated officer of the Civil Contractors Federation - SA Branch certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- that the audited financial report was provided to members on 5 August 2009 and
- that the full report was presented at a meeting of the committee of management of the reporting unit on 3 August 2009 in accordance with section 266 of the RAO Schedule.



Signature

Christopher Reynolds

Branch President

Date: 12 April 2010



# Cleland McFarlane Selth

Chartered Accountants ■ Business Advisors

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16 April 2010

Raj Rajaramanan  
Finance Manager  
Civil Contractors Federation  
South Australian Branch  
PO Box 75  
DRY CREEK SA 5094

Dear Raj

**Re: Audit for the year ended 30 June 2009**

We have amended audit report to comply with the Fair Work (Registered Organizations) Act 2009. The same has been enclosed

We have also forwarded the amended audit report to the Tribunal Services Organization.

If you have any queries, please contact me.

Yours sincerely

Andrew Cleland  
Partner

Encl.

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191 Flinders Street  
Adelaide SA 5000  
GPO Box 1300  
Adelaide SA 5001  
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Cleland McFarlane Selth  
ABN 36 865 663 894

**PARTNERS**

AI Cleland  
IA McFarlane  
RJ Selth  
GR Rowse

**CONSULTANT**

PDH Hill

**SENIOR  
ASSOCIATE**

T Anthon







**Cleland McFarlane Selth**  
Chartered Accountants ■ Business Advisors

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF  
CIVIL CONTRACTORS FEDERATION SOUTH AUSTRALIAN BRANCH**

**Report on the financial report**

We have audited the accompanying financial report of Civil Contractors Federation SA Branch (CCFSA), which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes, the Committee Management Statement and the Operating Report.

*CCFSA Board's responsibility for the financial report*

The CCFSA Board are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009. This responsibility also includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's responsibility*

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

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

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Cleland McFarlane Selth  
ABN 36 863 663 894

**PARTNERS**

AH Cleland  
IA McFarlane  
RJ Selth  
GR Rowse

**CONSULTANT**

PDH Hill

**SENIOR  
ASSOCIATE**

T Anthon



*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 general purpose financial report is presented fairly in accordance with the applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the 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 CCFSa in respect of the year to 30 June 2009, satisfactory accounting records detailing the sources and nature of the income (including income from members) and the nature and purposes of the expenditure of CCFSa.

Dated this *16* day of April 2010.



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**Andrew H Cleland**  
**Registered Company Auditor**  
**Cleland McFarlane Selth**





**CIVIL CONTRACTORS FEDERATION - SA BRANCH  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

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**CIVIL CONTRACTORS FEDERATION - SA BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2009**

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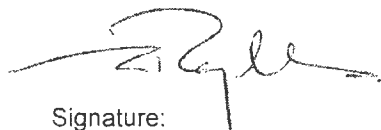
**COMMITTEE OF MANAGEMENT STATEMENT**

On 3 August 2009, the Committee of Management (Board) of the CCF SA 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 2009:

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the Committee of Management were held in accordance with the rules of the branch including the rules of a branch concerned;
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the branch including the rules of a branch concerned;
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with Schedule 1 of the Workplace Relations Act 1996, and the RAO Regulations;
  - (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 branch;
  - (v) no requests were received from any member of the reporting unit or a Registrar for information under section 272 of the RAO Schedule;
  - (vi) no orders have been made by the Commission under section 273 of the RAO Schedule; and
  - (vii) in relation to recovery of wage activity, there has been no recovery of wage activities during the year.

For Committee of Management (Board): Christopher Reynolds  
CCF SA Branch President



Signature:

Date: 3 August 2009

## CIVIL CONTRACTORS FEDERATION - SA BRANCH

### OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2009

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#### OPERATING REPORT

In accordance with section 254 of the Workplace Relations Act 1996 and Workplace Relations (Registration And Accountability Of Organisations) Regulations 2003, the operating report is as follows

#### **Principal Activities**

The principal activities of the Branch during the financial year were: The provision of advocacy, management systems, training and the conduct of regular industry meetings, functions and events to comply with the relevant objects of the Federation. s 254(2) (a)

#### **Operating Result**

The operating result of the branch for the year ended 30 June 2009 was a surplus of \$1,061,049. s 254(2) (a)

#### **Significant Changes in the nature of principal activities**

During the year Earthmovers and Contractors Association became part of Civil Contractors Federation SA Branch and contributed \$922,041 in capital. s 254(2) (a)

#### **Significant Changes in the Branch's Financial Affairs**

No matters or circumstances arose during the year which significantly affected the financial affairs of the Federation ss 254(2)(b)

#### **Superannuation Office Holders**

There are no officers and/or members of the branch that are directors of companies that are trustees of superannuation funds which require one or more of their directors to be a member of a registered branch – s254(2)(d)

#### **Economic Dependency**

Civil Contractors Federation SA Branch is not economically dependant on any other entity.

#### **Other Prescribed Information**

In accordance with Regulation 159 of the Workplace Relations (Registration of Accountability of Branches) Regulations –

(a) the number of persons that were at the end of the financial year recorded in the register of members for Sec 230 of the RAO Schedule and who are taken to be members of the registered branch under Sec 240 of the RAO Schedule was 118 Associate members, 13 Associate Stakeholders (also known as Affiliates) and 215 Full members. Total being 346.

(b) the number of persons who were at the end of the financial year employees of the branch including both full and part-time employees measured on a full-time equivalent basis was for CCF SA Branch 7.6 and Civil Train SA 25.7 being a total of 33.3.

CIVIL CONTRACTORS FEDERATION - SA BRANCH

OPERATING REPORT (cont)  
FOR THE YEAR ENDED 30 JUNE 2009

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(c) the names of those who have been members of the Committee of Management of the branch at any time during the financial year –

Title	Name	Period Of Office
Christopher Reynolds	Branch President	04-08-08 to 30-06-09
Garry Stewart	Branch Vice President	01-07-08 to 30-06-09
Andrew Young	Branch Honorary Treasurer	01-07-08 to 30-06-09
<b>SA Board Members</b>		
Andrew Lukasik	Branch Board Member	01-07-08 to 30-06-09
Aaron Blackmore	Branch Board Member	01-07-08 to 30-06-09
Allan Wilkey	Branch Board Member	01-07-08 to 30-06-09
Ted Paluszek	Branch Board Member	01-07-08 to 30-06-09
Dennis Lorenzin	Branch Board Member	01-07-08 to 04-08-08
Brian Sickerdick	Branch Board Member	01-07-08 to 30-06-09
James Melnike	Branch Board Member	01-07-08 to 04-08-08
John Allen	Branch Board Member	01-07-08 to 30-06-09
Ben Lucas	Branch Board Member	01-07-08 to 04-08-08
Philip Cornish	Branch Board Member	01-07-08 to 30-06-09
Kevin Renfrey	Branch Board Member	01-07-08 to 04-08-08
Anthony Baulderstone	Branch Board Member	01-07-08 to 30-06-09
Peter Little	Branch Board Member	04-08-08 to 30-06-09
Gerard Beltrame	Branch Board Member	04-08-08 to 30-06-09
Stephen Fines-Phillips	Branch Board Member	04-08-08 to 30-06-09
Peter Nolan	Chief Executive Officer	01-07-08 to 30-06-09
Joel Mathews	Associate Member Rep (Observer)	04-08-08 to 30-06-09
Nick Anderson	Associate Member Rep (Observer)	04-08-08 to 30-06-09
The persons who held office as Board Members of the National Branch during the Financial year were:		
Anthony Baulderstone	National Board Member	01-07-08 to 30-06-09
Christopher Reynolds	Alternate Board Member	04-08-08 to 30-06-09

CIVIL CONTRACTORS FEDERATION - SA BRANCH

OPERATING REPORT (cont)  
FOR THE YEAR ENDED 30 JUNE 2009

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**Rights of Members**

Subject to the rules of the branch and Sec 174 of the Act, members have the rights to resign from membership of the branch by written notice addressed to and delivered to the secretary of the branch.

**Manner of resignation**

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

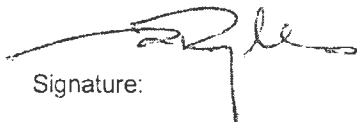
**"9 - RESIGNATION OF MEMBERS**

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

**Other Relevant Information**

Nil

For Committee of Management (Board): Christopher Renyolds  
Branch President

  
Signature:

Date: 3 August 2009

CIVIL CONTRACTORS FEDERATION - SA BRANCH

DESIGNATED OFFICER'S CERTIFICATE  
FOR THE YEAR ENDED 30 JUNE 2009

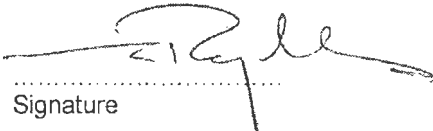
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DESIGNATED OFFICER'S CERTIFICATE

In accordance with section s268 of Schedule 1 Workplace Relations Act 1996

I Christopher Reynolds being the designated officer of the Civil Contractors Federation - SA Branch certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- that the audited financial report was provided to members on 5 August 2009 and
- that the full report was presented at a meeting of the committee of management of the reporting unit on 3 August 2009 in accordance with section 266 of the RAO Schedule.



.....  
Signature

Christopher Reynolds

Branch President

Date:



CIVIL CONTRACTORS FEDERATION - SA BRANCH

INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
Revenue	2	5,941,566	4,099,587
Administration Expenses		590,105	499,854
Employee benefits expense		2,239,887	1,776,369
Depreciation and amortisation expenses		279,079	250,379
Seminar / Training expenses		870,649	333,373
Leasing Costs		-	63,000
Publication costs		41,443	28,318
Other Expenses		849,147	788,126
Financial Costs		10,207	9,457
Profit from operations	3	<u>1,061,049</u>	<u>350,711</u>

The accompanying notes form part of the financial report.

CIVIL CONTRACTORS FEDERATION - SA BRANCH

BALANCE SHEET  
AS AT 30 JUNE 2009

	Note	2009 \$	2008 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	4	1,171,133	453,233
Trade and Other Receivables	6	955,282	622,305
Investments		1,278,719	998,000
Other Assets	7	40,381	54,691
<b>TOTAL CURRENT ASSETS</b>		<u>3,445,515</u>	<u>2,128,229</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	4,047,313	2,501,246
<b>TOTAL NON-CURRENT ASSETS</b>		<u>4,047,313</u>	<u>2,501,246</u>
<b>TOTAL ASSETS</b>		<u>7,492,828</u>	<u>4,629,475</u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	9	630,563	570,015
Short Term Provisions	10	71,069	87,523
<b>TOTAL CURRENT LIABILITIES</b>		<u>701,632</u>	<u>657,538</u>
<b>NON CURRENT LIABILITIES</b>			
Long Term Provisions	10	12,947	26,778
<b>TOTAL NON CURRENT LIABILITIES</b>		<u>12,947</u>	<u>26,778</u>
<b>TOTAL LIABILITIES</b>		<u>714,579</u>	<u>684,316</u>
<b>NET ASSETS</b>		<u>6,778,249</u>	<u>3,945,159</u>
<b>EQUITY</b>			
Retained Earnings		4,604,500	3,543,451
Reserves		1,251,708	401,708
Capital Distribution from ECA		922,041	-
<b>TOTAL EQUITY</b>		<u>6,778,249</u>	<u>3,945,159</u>

The accompanying notes form part of the financial report.

CIVIL CONTRACTORS FEDERATION - SA BRANCH

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
<b>RETAINED EARNINGS</b>			
Balance at Beginning of Reporting Period		3,543,451	3,192,740
Net Surplus		1,061,049	350,711
Balance at End of Reporting Period		<u>4,604,500</u>	<u>3,543,451</u>
Asset Revaluation Reserve	a.	1,251,708	401,708
Transfer From ECA	b.	922,041	-
<b>TOTAL EQUITY</b>		<u><u>6,778,249</u></u>	<u><u>3,945,159</u></u>

a. **Asset Revaluation Reserve**

The asset revaluation reserve records revaluations of non-current assets.

b. **Transfer of Funds From ECA**

This represents the transfer of funds from Earthmovers and Contractors Association for the 2009 year.

The accompanying notes form part of the financial report.

CIVIL CONTRACTORS FEDERATION - SA BRANCH

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Members & Other Customers		5,678,516	3,417,547
Receipts from CCF QLD		32,727	30,000
Payments to suppliers & employees		(4,637,760)	(2,979,362)
Payments to CCF National		(109,803)	(104,754)
Interest Received		87,543	60,863
Net Cash Provided by Operating Activities	11	<u>1,051,223</u>	<u>424,294</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Property, Plant & Equipment		(157,843)	(233,145)
Proceeds from sale of Property, Plant & Equipment		12,636	3,136
Investment in Financial Assets		(280,719)	(800,000)
Net Cash (Used In) Investing Activities		<u>(425,926)</u>	<u>(1,030,009)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Funds received from Merger		<u>92,603</u>	<u>876,453</u>
Net Cash Provided by Financing Activities		<u>92,603</u>	<u>876,453</u>
<b>NET INCREASE IN CASH HELD</b>		<u>717,900</u>	<u>270,738</u>
<b>CASH AT THE BEGINNING OF THE YEAR</b>		453,233	182,495
<b>CASH AT THE END OF THE YEAR</b>	4(a)	<u>1,171,133</u>	<u>453,233</u>

The accompanying notes form part of the financial report.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009

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**NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the Workplace Relations Act 1996.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**(a) Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument

**(b) Cash & Cash Equivalents**

Cash and cash equivalents include cash on hand, cash at bank and other short term highly liquid investments with original maturities of twelve months or less.

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

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

**Plant and Equipment**

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

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

All repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Property**

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

**Depreciation**

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line and diminishing value basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Fixture & Fittings	10 - 30%
Plant & Equipment	10 - 30%
Motor Vehicles	10 - 30%
Other	10 - 30%
Buildings	2.5%

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

An asset's carrying amount 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 disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

**(d) Branch Relationship with the Civil Contractors Federation**

This Branch, while autonomous in relation to most of its day to day operations, is not considered to be a separate entity by law from the Civil Contractors Federation.

The ownership of Branch assets and responsibility for Branch liabilities are believed to ultimately rest with the Civil Contractors Federation. It is therefore possible that Branch assets may be appropriated by the Civil Contractors Federation to meet its obligations, which could include providing financial support to other branches.



**NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(e) Going Concern**

While the branch, if viewed as an autonomous legal entity, is believed to be able to pay its debts as and when they fall due, no assessment has been made as to the likelihood of the Branch being called upon to financially support the Civil Contractors Federation either nationally or in respect of its other Branches

Assets and liabilities of the Branch have been brought to account on the basis that the Branch activities will continue. The values attributed in the accounts to assets and the stated amounts of liabilities may not be realised or settled at their recorded values in the event that the branch ceased to continue its business and there may also be changes in the dates of maturity of liabilities. Such potential differences in values have not been quantified.

**(f) Leases**

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

**(g) Income Tax**

The Civil Contractors Federation - SA Branch is exempt from income tax in accordance with Section 50-15 of the Income Tax Assessment Act.

**(h) Goods and Services Tax**

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 Tax 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 the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

**(i) 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 outflows to be made for those benefits. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

**(j) Workplace Relations Act 1996**

In Accordance with the requirement of the Workplace Relations Act 1996, the attention of the members is drawn to the provision of sub-sections (1), (2) and (3) of Section 272, which reads

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

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**(k) Comparative Figures**

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

**(l) Impairment of Assets**

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

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

**(m) Financial Instruments**

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the branch commits itself either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

**Classification and subsequent measurement**

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

*Amortised cost* is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

*The effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Classification and subsequent measurement (cont)

(i) *Financial assets at fair value through profit and loss*

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss. The branch has not held any financial assets at fair value through profit or loss in the current or comparative financial year.

(ii) *Loans and receivables*

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

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the branch's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

(v) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

**Impairment**

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

**NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Derecognition**

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**Critical Accounting Estimates and Judgments**

The board members 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 branch assesses impairment at 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.

*Key Judgements - Provision for impairment of receivables*

Included in trade receivables at reporting date is an amount receivable from sales made by Civil Contractors SA Branch during the current financial year amounting to \$60,505 that may be impaired and may not be derived by CCF SA Branch.

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) New Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2009 reporting period.

- AASB 3 Business Combinations
- AASB 101 Presentation of Financial Statements
- AASB 123 Borrowing Costs
- AASB 127 Consolidated and Separate Financial Statements
- AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123
- AASB 2007-8 & AASB 2007-10 Amendments to Australian Accounting Standards arising from AASB 101
- AASB 2008-2 Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation
  
- AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127
- AASB 2008-5 & AASB 2008-6 Amendments to Australian Accounting Standards arising from the Annual Improvements Project
- AASB 2008-7 Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
- AASB 2008-8 Amendments to Australian Accounting Standards - Eligible Hedged Items
- AASB 2008-9 Amendments to AASB 1049 for Consistency with AASB 101
- AASB 2008-11 Amendments to Australian Accounting Standard – Business Combinations Among Not-for-Profit Entities
- AASB 2008-12 Amendments to Australian Accounting Standards – Reclassification of Financial Assets – Effective Date and Transition
- AASB 2008-13 Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners
- Interpretation 15 Agreements for the Construction of Real Estate
- Interpretation 16 Hedges of a Net Investment in a Foreign Operation
- Interpretation 17 Distributions of Non-cash Assets to Owners
- Interpretation 18 Transfers of Assets from Customers

The Branch is of the view that none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

CIVIL CONTRACTORS FEDERATION - SA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
<b>NOTE 2 - REVENUE AND OTHER INCOME</b>		
<b>Operating Revenue</b>		
Qualifications	1,718,082	1,092,447
Short Courses	2,279,855	1,074,007
Member Subscriptions	446,143	369,460
Other	1,340,943	1,442,552
	<u>5,785,023</u>	<u>3,978,466</u>
<b>Other Revenue</b>		
Interest Received	87,543	60,863
Sponsorship	69,000	48,250
Staffing Grants	-	12,008
	<u>156,543</u>	<u>121,121</u>
<b>Total Revenue</b>	<u><u>5,941,566</u></u>	<u><u>4,099,587</u></u>

**NOTE 3 - PROFIT**

**Significant revenues and expenses**

The following significant revenue and expense items are relevant in explaining the financial performance:

Qualifications Income	1,718,082	1,092,447
Salaries and Wages	2,239,887	1,776,869
National Levy	104,200	84,793
Legal Costs	5,124	7,303
Conference Costs	215,769	223,956

**NOTE 4 - CASH AND CASH EQUIVALENTS**

**CURRENT**

Cash at Bank	1,171,133	413,776
Short term bank deposits	-	39,457
	<u>1,171,133</u>	<u>453,233</u>

**(a) Reconciliation of cash**

Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to items in the Balance Sheet as follows:

Cash and cash equivalents	1,171,133	453,233
	<u>1,171,133</u>	<u>453,233</u>

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**NOTE 5 - AUDITORS' REMUNERATION**

Remuneration of the auditor for:

- auditing or reviewing the financial report	11,560	10,795
- other audit services	4,500	-
	<u>16,060</u>	<u>10,795</u>



CIVIL CONTRACTORS FEDERATION - SA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 30 JUNE 2009

		2009 \$	2008 \$
<b>NOTE 6 - TRADE AND OTHER RECEIVABLES</b>			
<b>CURRENT</b>			
Accounts receivable	6 (b)	1,010,694	637,305
Provision for Impairment	6 (a)	(60,505)	(15,000)
GST Refund		5,093	-
	6 (c)	<u>955,282</u>	<u>622,305</u>

(a) Provision for impairment of receivables

Current trade and term receivables are non-interest bearing loans and generally on 30-day terms. Non-current trade and term receivables are assessed for recoverability based on the underlying terms of the contract. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired. These amounts have been included in the other expenses item.

Movement in the provision for impairment of receivables is as follows:

	\$
Provision for impairment as at 30 June 2007	-
Charge for year	15,000
Written off	
Provision for impairment as at 30 June 2008	<u>15,000</u>
Charge for year	45,505
Written off	-
Provision for impairment as at 30 June 2009	<u>60,505</u>

(b) Credit Risk

The group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 6. The main source of credit risk to the group is considered to relate to the class of assets described as 'trade and other receivables'.

The following table details the group's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the group and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the group.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality

	Gross Amount \$	Past Due \$	< 30 \$	31 -60 \$	61-90 \$
<b>2009</b>					
Trade and Term Receivables	1,010,694	-	575,823	216,698	77,620
Impaired	(60,505)	(60,505)			
<b>Total</b>	<u>950,189</u>	<u>(60,505)</u>	<u>575,823</u>	<u>216,698</u>	<u>77,620</u>

(c) Financial Assets classified as loans and receivables

	Note	2009	2008
<b>Trade and Other Receivables:</b>			
- Total current		950,189	622,305
- Total Non-current		-	-
<b>Financial Assets</b>	12	<u>950,189</u>	<u>622,305</u>

CIVIL CONTRACTORS FEDERATION - SA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
<b>NOTE 7 - OTHER ASSETS</b>		
<b>CURRENT</b>		
Prepayments	40,381	21,504
Other	-	33,187
	<u>40,381</u>	<u>54,691</u>
<b>NOTE 8 - PROPERTY, PLANT &amp; EQUIPMENT</b>		
<b>Buildings</b>		
At Valuation	1,492,209	664,710
Less: accumulated depreciation	(81,363)	(67,515)
	<u>1,410,847</u>	<u>597,195</u>
<b>Plant and Equipment</b>		
At cost	1,497,042	1,451,122
Less: accumulated depreciation	(1,047,921)	(891,012)
	<u>449,121</u>	<u>560,110</u>
<b>Fixtures and Fittings</b>		
At cost	355,452	279,406
Less: accumulated depreciation	(274,332)	(215,517)
	<u>81,119</u>	<u>63,889</u>
<b>Motor Vehicles</b>		
At cost	499,904	430,334
Less: accumulated depreciation	(256,346)	(163,016)
	<u>243,558</u>	<u>267,318</u>
<b>Other</b>		
At cost	62,000	62,000
Less: accumulated depreciation	(49,333)	(49,269)
	<u>12,667</u>	<u>12,731</u>
<b>Freehold Land</b>		
At Valuation	1,850,000	1,000,000
	<u>1,850,000</u>	<u>1,000,000</u>
<b>Total Property Plant and Equipment</b>	<u>4,047,313</u>	<u>2,501,243</u>

**Movement in Carrying Amounts**

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

	Buildings	Plant & Equipment	Fixtures & Fittings	Motor Vehicles	Land	Other	Total
Balance at beginning of the year	597,195	560,110	63,889	267,318	1,000,000	12,731	2,501,243
Merger	820,000	-	9,438	-	-	-	829,438
Additions	7,500	6,561	47,853	95,929	-	-	157,843
Disposals	-	-	-	(12,132)	-	-	(12,132)
Depreciation	(13,848)	(117,550)	(40,060)	(107,557)	-	(64)	(279,079)
Revaluation	-	-	-	-	850,000	-	850,000
Balance at end of year	1,410,847	449,121	81,120	243,558	1,850,000	12,667	4,047,313

CIVIL CONTRACTORS FEDERATION - SA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
<b>NOTE 9 - TRADE AND OTHER PAYABLES</b>		
<b>CURRENT</b>		
<b>Unsecured</b>		
Trade Payables	275,464	300,914
Sundry Payables and Accrued Expenses	49,420	15,022
Leave Entitlement	71,069	87,523
Amounts Received In Advance	305,679	254,079
9a.	<u>701,632</u>	<u>657,538</u>
a. Financial Liabilities at amortised cost classified as		
Trade and other payables:		
Total current	701,632	657,538
Total non-current	-	-
	<u>701,632</u>	<u>657,538</u>
Less - leave entitlements	(71,069)	(87,523)
- Amounts Received In Advance	(305,679)	(254,079)
Financial liabilities as trade and other payables	12 <u>324,884</u>	<u>315,936</u>
<b>NOTE 10 - PROVISIONS</b>		
Employee benefits - Short Term	71,069	87,523
Employee benefits - Long Term	12,947	26,778
	<u>84,016</u>	<u>114,301</u>

**Employee Benefits**

Opening balance at 1 July 2008	114,301
Additional Provisions Raised during the year	111,603
Amounts Used	(141,888)
Balance at 30 June 2009	<u>84,016</u>

	2009	2008
	\$	\$
<b>Analysis of Total Provisions</b>		
Current	71,069	87,523
Non Current	12,947	26,778
	<u>84,016</u>	<u>114,301</u>

**Provision for Long-term Employee Benefits**

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

The Provision for Employee Benefits has been reduced as AASB 119 has now been introduced. AASB 119 uses probability analysis to predict on a percentage basis employees who will actually reach 7 years of service. As a result of applying this Accounting Standard in the 2008/2009 Financial year it has resulted in a significant reduction in the Employee Benefits provision.

CIVIL CONTRACTORS FEDERATION - SA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 30 JUNE 2009

NOTE 11 - CASH FLOW INFORMATION	2009	2008
	\$	\$
<b>Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities</b>		
Profit from Ordinary Activities	1,061,049	350,711
<i>Non-cash flows in profit</i>		
Depreciation	279,079	250,379
Profit on Sale of Property, Plant & Equipment	(501)	(908)
<i>Changes in assets and liabilities</i>		
(Increase)/decrease in trade and other receivables	(332,977)	(575,269)
(Increase)/decrease in other assets	14,310	(24,892)
Increase/(decrease) in trade and other payables	60,548	333,501
Increase/(decrease) in provisions	(30,285)	90,772
<b>Cashflow from operations</b>	<u>1,051,223</u>	<u>424,294</u>

NOTE 12 - FINANCIAL RISK MANAGEMENT

(a) **Financial Risk Management**

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

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2009	2008
		\$	\$
<b>Financial assets</b>			
Cash and cash equivalents	4	1,171,133	453,233
Loans and other receivables	6 (c)	950,189	622,305
Investments		<u>1,278,719</u>	<u>998,000</u>
		<u>3,400,041</u>	<u>2,073,538</u>
<b>Financial liabilities</b>			
Financial liabilities at amortised cost:			
Trade and other payables	9 (a)	<u>324,884</u>	<u>315,936</u>
		<u>324,884</u>	<u>315,936</u>

**Financial Risk Management Policies**

The branch's board is responsible for, among other issues, monitoring and managing financial risk exposures of the branch. The board meets monthly and reviews currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

**Specific Financial Risk Exposures and Management**

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

a. **Interest rate risk**

The Branch does not have any borrowings that would be affected by movements in interest rates.

CIVIL CONTRACTORS FEDERATION - SA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 30 JUNE 2009

NOTE 12 - FINANCIAL RISK MANAGEMENT (cont)

- b. **Foreign currency risk**  
The Branch is not exposed to fluctuations in foreign currencies.
- c. **Liquidity risk**  
The Branch manages liquidity risk by monitoring forecast cash flows.
- d. **Credit risk**  
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, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.  
The Branch does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Branch.
- e. **Price risk**  
The Branch is not exposed to any material commodity price risk.

**Net Fair Values**

**Fair value estimation**

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

Due to the nature of the financial instruments held by the branch the costs associated with their settlement are not material. As a result the fair value of the instrument is calculated at its face value. In the case of debtors an allowance has been made for doubtful debts where appropriate.

	Footnote	2009		2008	
		Net \$	Net Fair \$	Net Carrying \$	Net Fair Value \$
<b>Financial assets</b>					
Cash and cash equivalents	(i)	1,171,133	1,171,133	453,233	453,233
Investments	(ii)	1,278,719	1,278,719	998,000	998,000
Trade and other receivables	(i)	955,282	955,282	622,305	622,305
<b>Total financial assets</b>		<b>3,405,134</b>	<b>3,405,134</b>	<b>2,073,538</b>	<b>2,073,538</b>
<b>Financial liabilities</b>					
Trade and other payables	(i)	275,464	275,464	300,914	300,914
Accrued Expenses	(i)	49,420	49,420	15,022	15,022
<b>Total financial liabilities</b>		<b>324,884</b>	<b>324,884</b>	<b>315,936</b>	<b>315,936</b>

The fair values disclosed in the above table have been determined based on the following

- (i) Cash and cash equivalents, trade and other payables and trade and other receivables are short term instruments in nature, whose carrying value is equivalent to fair value. Trade and other payables excludes amounts provided for relating to annual leave and amounts received in advance as they are not considered a financial instrument.
- (ii) Investments are long term instruments in nature, whose carrying value is equivalent to fair value.

CIVIL CONTRACTORS FEDERATION - SA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 30 JUNE 2009

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NOTE 12 - FINANCIAL RISK MANAGEMENT (cont)

**Sensitivity analysis**

*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 2009, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

		2009	2008
		\$	\$
Change in profit			
—	Increase in interest rate by 2%	48,997	29,025
—	Decrease in interest rate by 2%	48,997	29,025
Change in equity			
—	Increase in interest rate by 2%	48,997	29,025
—	Decrease in interest rate by 2%	48,997	29,025

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 exposed to foreign currency fluctuations.

**NOTE 13 : CAPITAL MANAGEMENT**

The committee members control the capital of the branch in order to maintain a good debt-to-equity ratio and to ensure that the branch can fund its operations and continue as a going concern.

The branch's debt and capital includes financial liabilities, supported by financial assets. There are no externally imposed capital requirements.

The committee members effectively manage the branch's capital by assessing the branch's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels.

There have been no changes in the strategy adopted by management to control the capital of the branch since the prior year. This strategy is to ensure that there is sufficient cash to meet trade and sundry payables and borrowings.

**NOTE 14: CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

The Branch is believed to be liable for unpaid debts for the Civil Contractors Federation to the extent of the branch asset and at the date of this report, no known liability exists for any contingent liability. The organisation is not aware of any known contingent assets at 30 June 2009.

CIVIL CONTRACTORS FEDERATION - SA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 30 JUNE 2009

**NOTE 15 - RELATED PARTY TRANSACTIONS**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	2009
	\$
<b>Liabilities with related parties</b>	
Civil Contractors Federation	11,885
Civil Contractors Federation - TAS	1,100
Civil Contractors Federation - VIC	4,494

Civil Contractors Federation SA Branch President, Christopher Reynolds has a financial interest in Crownco Pty Ltd, during the year CCF used Crownco Pty Ltd on an arms length basis to supply a service.

**NOTE 16 - RETAINED EARNINGS**

Retained earnings is committed to the following future funding	\$
Machinery Replacement	100,000
Commitment to match future grants to be received in 2009/2010	497,000
Training Reserve	54,759
Operational Reserve	130,000
Total Retained earnings committed	<u>781,759</u>

**NOTE 17 - EVENTS AFTER BALANCE SHEET DATE**

Civil Contractors Federation have made an offer to purchase a building - this will be funded by a mix of uncommitted retained earnings and loan funding.

**NOTE 18 - KEY MANAGEMENT PERSONNEL COMPENSATION**

	Short Term Benefits	Post Employment Benefit	Other Long Term Benefits	Total
<b>2009</b>				
Total compensation	387,634	-	-	387,634
	<u>387,634</u>	<u>-</u>	<u>-</u>	<u>387,634</u>

**CIVIL CONTRACTORS FEDERATION - SA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 30 JUNE 2009**

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**NOTE 19 - BRANCH DETAILS**

The registered office of the Branch is:

**Civil Contractors Federation SA Branch**  
60 Woodville Road  
WOODVILLE SA 5011

The principal places of business are:

**Civil Contractors Federation SA Branch**  
60 Woodville Road  
WOODVILLE SA 5011

**Civil Train SA**

53 – 57 Magazine Road Dry Creek SA 5094  
PO Box 75 Dry Creek SA 5094





# Cleland McFarlane Selth

Chartered Accountants ■ Business Advisors

## INDEPENDENT AUDIT REPORT TO THE MEMBERS OF CIVIL CONTRACTORS FEDERATION SOUTH AUSTRALIAN BRANCH

### Report on the financial report

We have audited the accompanying financial report of Civil Contractors Federation SA Branch (CCFSA), which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes, the Committee Management Statement and the Operating Report.

### *CCFSA Board's responsibility for the financial report*

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

### *Auditor's responsibility*

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

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

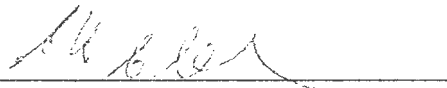
### *Independence*

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 CCFSA is in accordance with the Workplace Relations Act 1996, including:
  - a. giving a true and fair view of CCFSA's financial position as at 30 June 2009 and of its performance for the year ended on that date; and
  - b. complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Workplace Relations Act 1996.
  
2. In relation to recovery of wages activity, there has been no recovery of wages activity during the year.
  
3. There were kept by CCFSA in respect of the year to 30 June 2009, satisfactory accounting records detailing the sources and nature of the income (including income from members) and the nature and purposes of the expenditure of CCFSA.

Dated this <sup>th</sup> 4 day of August 2009.



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**Andrew H Cleland**  
**Registered Company Auditor**  
**Cleland McFarlane Selth**

