



FAIR WORK
AUSTRALIA

9 November 2012

Mr Adrian Granger
President
Civil Contractors Federation - Tasmania Branch
P.O. Box 443
Moonah TAS 7009

Email: ccftas@civilcontractors.com

Dear Mr Granger

Re: Financial Report for the Civil Contractors Federation, Tasmania Branch for year ended 30 June 2012 - FR2012-313

I acknowledge receipt of the financial report for the Civil Contractors Federation, Tasmania Branch for the year ended 30 June 2012. The report was lodged with Fair Work Australia (FWA) on 10 September 2012.

The financial report has 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.

1. Disclosure of employee benefits to office holders and other employees

The General Manager's Reporting Guidelines require reporting units to separately disclose:

- employee benefits to office holders, and
- employee benefits to employees other than office holders

in the Statement of Comprehensive Income or in the Notes to the Financial Statements and in the Provisions under Liabilities in the Statement of Financial Position (see items 11(g), 11(h), 14(c) and 14(d) of the Reporting Guidelines).

The Income Statement sets out an expense item titled 'Salaries and On Costs'. There is no line item or note in the financial statements which itemises the components of this expense.

Furthermore, the provision for Non-Current Liabilities in the Statement of Financial Position refers to Note 8 of the financial statements titled 'Provisions'. Note 8 sets out the current provision for Annual Leave and non-current provision for Long Service Leave, however, no separate disclosure between the benefits accruing to employees who are office holders and benefits accruing to employees other than office holders is made.

The correct distinction between the two categories of employees and corresponding disclosure of employee benefits should be clearly presented in the financial statements or in the notes to the financial statements.

Note 10(b) of the financial statements states the name and position held by key management personnel in the Branch, that being the Chief Executive Officer, with provision for salary and superannuation entitlements applying to the position.

Note 10(c) titled 'Key Management Personnel Remuneration' notes 'No other officeholder received remuneration during the year..'. Whilst the position of Chief Executive Officer may be referred to as 'officer' under the organisation's rules, for the purposes of sections 6 and 9 of the *Fair Work (Registered Organisations) Act 2009* ('RO Act') this position is not recognised as such. An office holder under the RO Act refers to a person who is a *voting member* of a collective body of the organisation or branch that has power to manage the affairs, determine policies, make alterations and enforce rules of the organisation or branch. The CCF Branch Executive Officer does not appear to be a voting member of the Branch Board but rather subject to the direction of the Branch Board.

Whilst employee benefits of the position have been disclosed, the characterisation of the position as 'office holder' is incorrect. The employee benefits pertaining to the position should properly be categorised as employee benefits to employees other than office holders.

If there are no employees who are also office holders within the meaning of the RO Act and RGs, a line item in the Statement of Comprehensive Income or in the notes to the financial statements should be included to indicate this.

2. Auditors Report

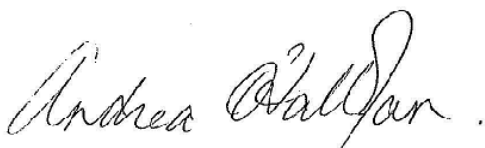
The paragraph titled 'Report on the Financial Report' incorrectly refers to a statement of comprehensive costs. It should refer to the statement of comprehensive income.

Extraneous document

The Certificate of the Chief Executive Office on page 4 of the financial report is not required to be lodged. Please note that once documents are filed they appear on the Fair Work Australia organisations website at <http://www.e-airc.gov.au/267vtas/> To avoid unnecessary confidential documents from appearing on the internet, documents that are not required to be lodged under the Act should not be submitted to FWA.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7877.

Yours sincerely



Andrea O'Halloran
Regulatory Compliance Branch
Fair Work Australia



**CIVIL CONTRACTORS
FEDERATION**

CCF NATIONAL OFFICE

ABN 92 631 541 373

Unit 4/4 Beacon Court
Cambridge TAS 7170

P (03) 62484697

F (03) 62484682

E ccftas@civilcontractors.com

www.civilcontractors.com

Certificate of Designated Officer

S 268 of Fair Work (Registered Organisations) Act 2009

I Adrian Granger being the President of the Civil Contractors Federation (TAS) branch certify:

- That the documents lodged herewith are copies of the full report referred to in s268 of the Fair Work (Registered Organisation) Act 2009; and
- That the full report was provided to members on 14th August 2012; and
- That the full report was presented to a general meeting of members on the 4th September 2012 in accordance with section 266 of the Fair Work (Registered Organisation) Act 2009.

Signature

Date 20th September 2012

Note: Amended to remove the wording, concise report and originally signed on the 4th September.

**CIVIL CONTRACTORS FEDERATION
(TAS BRANCH)**

ABN 92 631 541 373

**Financial Report
for the Year Ended
30 June 2012**

CIVIL CONTRACTORS FEDERATION (TAS BRANCH)

Contents

Operating Report	1 - 3
Certificate of the Chief Executive Officer (TAS)	4
TAS Branch Board Statement	5
Auditor's Independence Declaration	6
Income Statement	7
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Member's Fund	10
Statement of Cash Flow	11
Notes to the Financial Statements	12 - 27
Auditor's Report	28 - 29

**Operating Report
for the Year Ended 30 June 2012**

Principal Activities s254(2)9a)

The principal activities of the Branch during the financial year were to promote, protect and advance the interest of its members engaged in any manner of civil contracting and/or ancillary industries.

The Federation operates predominantly in one business and geographical segment, being a representative body of civil construction contractors in Tasmania, 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 Federation throughout Tasmania. The Federation represents its members at all levels of Government and lobbies for concessions relating to civil construction and business trade.

Results of principal activities s254(2)(a)

The Branch's principal activities resulted in a profit of \$14,868 (2011 loss of \$50,953). Advocacy and member services has again been a focus, as well as workplace training.

Significant changes in nature of principal activities s254(2)(a)

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

Significant changes in Federation's financial affairs s254(2)(b)

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

Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme s254(2)(d)

No officer, or member holds a dedicated position as a superannuation trustee under s254(2)(d) of the Fair Work (Registered Organisations) Act 2009.

Number of Members reg 159(a)

The number of persons who, at the end of the financial year, were recorded on the Register of members was: 57 full members and 44 associate members.

**Operating Report
for the Year Ended 30 June 2012**

Number of Employees reg 159(b)

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

TAS Branch Board Members reg 159(c)

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

Adrian Granger –
Branch President (01/07/2011- 30/06/12)

Phil Sidney –
Branch Vice-President (01/07/11 - 30/06/12)

Stewart Geeves –
Honorary Branch Treasurer (01/07/11 - 30/06/12)

Hugh Maslin –
Branch Board Member (01/07/11 - 30/06/12)

Patrick Dwyer –
Branch Board Member (01/07/11 - 30/06/12)

Rob Batchelor –
Branch Board Member (01/07/11 - 30/06/12)

Stuart Dahlenburg –
Branch Board Member (01/07/11 - 30/06/12)

John Treloar –
Branch Board Member (01/07/11 - 30/06/12)

Michael Hudson –
Branch Board Member (01/07/11 - 30/06/12)

Cranston Shaw –
Branch Board Member (01/07/11 - 30/06/12)

Neil Armstrong –
Branch Board Member (01/07/11 - 30/06/12)


**Operating Report
for the Year Ended 30 June 2012**

Manner of resignation

Members may resign from the Federation 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 Federation by written notice addressed and delivered to the Chief Executive Officer.
- (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 subrule (1) shall be taken to have been received by the Federation when it was delivered.
- (e) A notice of resignation that has been received by the Federation is not invalid because it was not addressed and delivered in accordance with sub rule (a) of Rule 9.
- (f) A resignation from membership of the Federation is valid even if it is not effected in accordance with this section if the Member is informed in writing by or on behalf of the Federation that the resignation has been accepted."



Adrian Granger
TAS President

Dated in the Tasmania this 7th day of August 2012

Certificate of The Chief Executive Officer (TAS)

I, Tony Cook, the Chief Executive Officer of Civil Contractors Federation (TAS Branch) hereby certify that to the best of my knowledge and belief that:

- a. There were 101 members of the organisation as at the end of the financial year ended 30 June 2012.
- b. The full general purpose financial report, referred to in Section 268 of the Schedule 1B Fair Work (Registered Organisations) Act 2009 was presented to Tasmania Branch Board through the Executive, Finance and Member Services Sub-Committee on 7 August 2012.
- c. The financial statements set out on pages 8 to 26 show a true and fair view of the financial affairs of the organisation as at the end of the financial year in accordance with Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Standards Board.
- d. A record has been kept of all money paid by, or collected from members of the organisation, and all money so paid or collected has been credited to the bank account to which the money is to be credited, in accordance with the rules of the Federation; and
- e. The full general purpose financial report is a copy of that was presented to the Tasmania Branch Board on 7 August 2012 and which will be presented to a General Meeting of Members on 13 September 2012.



Tony Cook
Chief Executive Officer (TAS)

Dated in the Tasmania, this 7th day of August 2012

**TAS Branch Committee of Management Statement
for the Year Ended 30 June 2012**

On, 7th August 2012 the Committee of Management of the Civil Contractors Federation (TAS 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 2012:

The Executive, Finance and Member Services Sub-Committee declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager of FWA;
- (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 TAS Branch 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 Schedule 1 of the Fair Work (Registered Organisations) Act 2009, and the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) No requests were received from any member of the reporting unit or a General Manager of FWA for information under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - (vi) No orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.

For the TAS Committee of Management:



Adrian Granger
TAS President

Dated in the Tasmania, this 7th day of August 2012

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE BOARD OF THE
CIVIL CONTRACTORS FEDERATION – TAS BRANCH**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2012 there have been:–

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



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



Michael Shulman
Partner (Registered Company Auditor: 163888)
Holder of Current Public Practice Certificate

Dated: 7/5/12

CIVIL CONTRACTORS FEDERATION (TAS BRANCH)

**Income Statement
for the Year Ended 30 June 2012**

	Note	2012 \$	2011 \$
Revenues	2	342,509	262,263
TAS State Contribution		(9,492)	(7,022)
Salaries and On Costs		(194,215)	(180,033)
CCF Cards		(16,584)	(23,475)
Functions and Activities		(45,078)	(49,257)
Training Costs		(7,566)	(6,061)
Travel and Accommodation		(3,273)	(4,381)
Publications		(3,559)	(4,070)
Audit Fees	3a	(1,950)	(1,950)
Depreciation		(1,414)	(1,465)
Other Expenses	3b	(44,510)	(35,502)
Surplus from ordinary activities before income tax expense		14,868	(50,953)
Income tax expense	1a	-	-
Net surplus from ordinary activities after income tax expense attributable to the Federation		14,868	(50,953)

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION (TAS BRANCH)

**Statement of Comprehensive Income
for the Year Ended 30 June 2012**

	2012 \$	2011 \$
Surplus for the period	14,868	(50,953)
Total Comprehensive Income for the period	14,868	(50,953)
Total Comprehensive Income attributable to members of the organisation	14,868	(50,953)

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION (TAS BRANCH)

**Statement of Financial Position
as at 30 June 2012**

	Note	2012 \$	2011 \$
CURRENT ASSETS			
Cash and cash equivalents	4	135,630	122,877
Trade and other receivables	5	28,915	44,013
Inventory		826	2,664
TOTAL CURRENT ASSETS		165,371	169,554
NON-CURRENT ASSETS			
Plant and equipment	6	3,350	4,764
TOTAL NON-CURRENT ASSETS		3,350	4,764
TOTAL ASSETS		168,721	174,318
CURRENT LIABILITIES			
Trade and other payables	7	61,109	91,021
Provisions	8	16,061	8,791
TOTAL CURRENT LIABILITIES		77,170	99,812
NON-CURRENT LIABILITIES			
Provisions	8	2,177	-
TOTAL NON-CURRENT LIABILITIES		2,177	-
TOTAL LIABILITIES		79,347	99,812
NET ASSETS		89,374	74,506
MEMBERS' FUNDS			
Accumulated Surplus		89,374	74,506
TOTAL MEMBERS' FUNDS		89,374	74,506

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION (TAS BRANCH)

**Statement of Changes in Members' Fund
for the Year Ended 30 June 2012**

	Retained Profits	Total
	\$	\$
Balance at 30 June, 2010	125,459	125,459
Profit attributable to Members	(50,953)	(50,953)
Balance at 30 June, 2011	74,506	74,506
Profit attributable to Members	14,868	14,868
Balance at 30 June, 2012	89,374	89,374

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION (TAS BRANCH)

Statement of Cash Flow
For the Year ended 30 June 2012

	Note	2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		353,920	246,506
Payments to suppliers and employees		(334,028)	(220,230)
Payments to CCF National Office		(9,492)	(7,022)
Interest received		2,353	1,505
Net cash provided by operating activities	11b	12,753	20,759
CASH FLOWS FROM INVESTING ACTIVITIES			
Plant Acquired		-	(2,795)
Net cash used in investing activities		-	(2,795)
Net (decrease)/increase in cash held		12,753	17,964
Cash at the beginning of the financial year		122,877	104,913
Cash at the end of the financial year	11a	135,630	122,877

The accompanying notes form part of the financial statements

Notes to the Financial Statements for the Year Ended 30 June 2012

NOTE 1 : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

Reporting Basis and Conventions

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

Accounting Policies

a. Income Tax

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

b. Cash and cash equivalents

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

c. Financial Instruments

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

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

d. Employee Benefits

Provision is made for the Federation's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash flows to be made for those benefits.

Contributions are made by the Federation to employee superannuation funds and are charged as expenses when incurred.

**Notes to the Financial Statements
for the Year Ended 30 June 2012 (cont'd)**

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

e. Leases

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

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

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

Lease assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Federation will obtain ownership of the asset or ownership over the term of the lease.

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

f. Goods and Services Tax (GST)

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

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

g. Revenue

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

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

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

h. Comparative figures

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

**Notes to the Financial Statements
for the Year Ended 30 June 2012 (cont'd)**

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

i. Operating Segment

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

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

j. Critical Accounting Estimates and Judgements

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

Key Estimates – Impairment

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

No impairment has been recognised in respect of any assets for the year ended 30 June 2012, except as stated in the report.

Key Judgements - Doubtful Debts Provision

The Committee of Management have assessed each debtor and have estimated a provision for doubtful debts amounting to \$nil (2011: nil). The Committee of Management believes that the full amount of the remaining debtors are recoverable.

**Notes to the Financial Statements
for the Year Ended 30 June 2012 (cont'd)**

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

k. New Accounting Standards for Application in Future Periods

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

- AASB 9: Financial Instruments (December 2010) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applicable for annual reporting periods commencing on or after 1 January 2013).

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

The key changes made to accounting requirements include:

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

The Branch has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements.

Notes to the Financial Statements for the Year Ended 30 June 2012

1. Summary of Significant Accounting Policies (cont'd)

k. New Accounting Standards for Application in Future Periods

- AASB 1053: Applications of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements.

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements for Tier 1, but contains significantly fewer disclosure requirements.

Management believes that the Branch qualifies for the reduced disclosure requirements for Tier 2 entities. However, it is yet to determine whether to adopt the reduced disclosure requirements.

- AASB 2010-8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes and incorporates Interpretation 121: Income Taxes – Recovery of Revalued Non-Depreciable Assets into AASB 112.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments are not expected to significantly impact the Branch.

- AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interest in Other Entities, AASB 127: Separate Financial Statements (August 2011), AASB 128: Investments in Associates and Joint Ventures (August 2011) and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17] (applicable for annual reporting periods commencing on or after 1 January 2013).

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

**Notes to the Financial Statements
for the Year Ended 30 June 2012**

1. Summary of Significant Accounting Policies (cont'd)

k. New Accounting Standards for Application in Future Periods

AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or "joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the "special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the Branch.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the Branch.

- AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132] (applicable for annual reporting periods commencing on or after 1 January 2013).

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

AASB 13 requires:

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

These Standards are not expected to significantly impact the Branch.

- AASB 2011-9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] (applicable for annual reporting periods commencing on or after 1 July 2012).

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

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

**Notes to the Financial Statements
for the Year Ended 30 June 2012**

1. Summary of Significant Accounting Policies (cont'd)

k. New Accounting Standards for Application in Future Periods

- AASB 119: Employee Benefits (September 2011) and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011-8 and Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The Branch does not have any defined benefit plans and so is not impacted by the amendment.

AASB 119 (September 2011) also includes changes to:

- require only those 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 to be classified as short-term employee benefits. All other employee benefits are to be classified as other long-term employee benefits, post-employment benefits or termination benefits, as appropriate; and
- the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:
 - (i) for an offer that may be withdrawn – when the employee accepts;
 - (ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
 - (iii) where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and if earlier than the first two conditions – when the related restructuring costs are recognised.

The Branch has not yet been able to reasonably estimate the impact of these changes to AASB 119.

**Notes to the Financial Statements
for the Year Ended 30 June 2012 (Cont'd)**

NOTE 1 : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

I. Information to be provided to Members or General Manager of FWA

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

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

CIVIL CONTRACTORS FEDERATION (TAS BRANCH)

**Notes to the Financial Statements
for the Year Ended 30 June 2012 (Cont'd)**

	2012 \$	2011 \$
NOTE 2 : REVENUE		
Operating activities:		
Subscriptions	101,716	83,104
Functions	69,836	10,999
Training	139,791	133,724
CCF Cards	4,052	12,097
National Pre-qualification Program	-	825
Publications	8,181	11,682
Sundry	16,580	8,327
Interest	2,353	1,505
Total Revenue	342,509	262,263
NOTE 3 : SURPLUS FROM ORDINARY ACTIVITIES		
The operating surplus of the Federation before income tax expense has been determined after:		
a. Auditor's Remuneration – audit of financial statement	1,950	1,950
b. Other Expenses		
Accounting	4,200	4,050
Advertising	1,364	1,966
Postage	2,154	1,435
Print and Stationery	1,146	2,364
Telephone	2,807	2,398
Training	2,110	1,024
Occupancy Costs	8,736	7,917
Insurance	266	1,342
Consultancy Costs	-	3,470
Motor Vehicle Costs	4,055	481
Miscellaneous Expenses	17,262	9,055
TOTAL	44,510	35,502

**Notes to the Financial Statements
for the Year Ended 30 June 2012 (cont'd)**

	2012 \$	2011 \$
NOTE 4 : CASH AND CASH EQUIVALENTS		
Current		
Cash at bank and on hand	135,630	122,877
	<u>135,630</u>	<u>122,877</u>

The weighted average interest rate for cash as at 30 June 2012 is 3.52% (2010 : 2.32%)

NOTE 5 : TRADE AND OTHER RECEIVABLES

a. Current		
Trade debtors	28,613	42,377
	<u>28,613</u>	<u>42,377</u>
Prepayments	302	1,636
	<u>28,915</u>	<u>44,013</u>

b. Terms and Conditions

Trade debtors relate to services provided, they are non-interest bearing and are unsecured.
Trade debtors relating to training carry terms of up to 90 days.
All other trade debtors carry settlement terms of 30 days.

Details of the trade debtors owing from the related parties are outlined at Note 9.

Sundry debtors are non-interest bearing and unsecured. This includes GST receivable, relating to goods and services tax that can be recovered from the Australian Taxation Office.

NOTE 6 : PLANT & EQUIPMENT

Plant & Equipment		
At Cost	8,130	8,130
Accumulated Depreciation	(6,267)	(5,225)
Total plant & equipment	<u>1,863</u>	<u>2,905</u>

Furniture & Fittings		
At Cost	2,239	2,239
Accumulated Depreciation	(752)	(380)
Total furniture & fittings	<u>1,487</u>	<u>1,859</u>
Total property, plant & equipment	<u>3,350</u>	<u>4,764</u>

Movements in Carrying Amounts

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

Plant & Equipment		
Balance at the beginning of the year	2,905	3,434
Additions	-	556
Depreciation Expense	(1,042)	(1,085)
Carrying amount at end of year	<u>1,863</u>	<u>2,905</u>

Notes to the Financial Statements
for the Year Ended 30 June 2012 (cont'd)

	2012 \$	2011 \$
Office Furniture & Equipment		
Balance at the beginning of the year	1,859	-
Additions	-	2,239
Depreciation Expense	(372)	(380)
Carrying amount at end of year	1,487	1,859

NOTE 7 : TRADE AND OTHER PAYABLES

a. Current

Income in Advance	42,963	58,809
Creditors and accruals	18,146	32,212
	61,109	91,021

b. Terms and Conditions

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. Income in advance primarily represents prepaid subscription income, training and advisory revenue for the 2012 year.

NOTE 8 : PROVISIONS

a. Current

Provision for Annual Leave	16,061	8,791
	16,061	8,791

b. Non-Current

Provision for Long Service Leave	2,177	-
	2,177	-

**Notes to the Financial Statements
for the Year Ended 30 June 2012 (cont'd)**

NOTE 9 : FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

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

The Federation does not have any derivative instruments at 30 June 2012.

i. Terms, Conditions and Accounting Policies

The Federation'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 Board members meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

iii. Financial Risk Exposures and Management

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

Liquidity risk

The Federation manages this risk by monitoring its credit terms on trade debtors

Interest rate risk

The Federation 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 2012, 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:

	2012 \$	2011 \$
Change in profit/(loss)		
Increase in interest rate by 1%	1,356	1,228
Decrease in interest rate by 1%	1,356	1,228
Change in equity		
Increase in interest rate by 1%	1,356	1,228
Decrease in interest rate by 1%	1,356	1,228

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 Federation is not exposed to foreign currency fluctuations.

**Notes to the Financial Statements
for the Year Ended 30 June 2012 (cont'd)**

NOTE 9 : FINANCIAL RISK MANAGEMENT Cntd

Interest Rate Risk

The Federation'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 2011							
Assets:							
Cash	3.15	135,630	-	-	-	-	135,630
Trade and Sundry Debtors		-	-	-	-	28,915	28,915
		135,630	-	-	-	28,915	164,545
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	(61,109)	(61,109)
		-	-	-	-	(61,109)	(61,109)
Net financial assets		135,630	-	-	-	(32,194)	103,436
30 June 2012							
Total financial assets	3.52	122,877	-	-	-	44,013	166,890
Total financial liabilities		-	-	-	-	(91,021)	(91,021)
Net financial assets		122,877	-	-	-	(47,008)	75,869

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 Federation is not materially exposed to any individual credit risk.

iv. Net Fair Values

The aggregate net fair values and carrying amount of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to the financial statements.

**Notes to the Financial Statements
for the Year Ended 30 June 2012 (cont'd)**

NOTE 10: RELATED PARTIES

a. TAS Branch Board members

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

Adrian Granger, Hugh Maslin, Phil Sidney, Stewart Geeves, Patrick Dwyer, Rob Batchelor, Stuart Dahlenburg, Michael Hudson, Neil Armstrong, Cranston Shaw and John Treloar –

No fees were received during the year by the Committee of Management members for services rendered.

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

Tony Cook – Chief Executive Officer

c. Key Management

Personnel Remuneration

	2012			2011		
	Salaries	Super-annuation	Total	Salaries	Super-annuation	Total
	\$	\$	\$	\$	\$	\$
Total Compensation	85,000	7,650	92,650	80,000	7,200	87,200

No other officeholder received remuneration during the year, nor did they have any employee entitlements accrued in respect of their office holdings.

d. Other transactions with the Federation

Entities related to TAS Branch Board members paid membership fees, received training, purchased statutory awards and updates from the Federation during the year on the same commercial terms and conditions offered to all other members.

e. Civil Contractors National Office

At the end of financial year an amount of \$3,193 (2011: \$6,709) was payable to the CCF National Office and other CCF Branches.

During the year, the Branch incurred a National Levy of \$9,492 (2011: \$7,022) to CCF National Office.

**Notes to the Financial Statements
for the Year Ended 30 June 2012 (cont'd)**

	2012 \$	2011 \$
NOTE 11: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash at bank and call deposits	135,630	122,877
	<u>135,630</u>	<u>122,877</u>
b. Reconciliation of surplus from ordinary activities after income tax to net cash provided by operating activities		
Profit from Ordinary Activities after income tax	14,868	(50,953)
Add/(Less):		
Non Cash Flows in Profit from Ordinary Activities:		
Depreciation	1,414	1,465
	<u>16,282</u>	<u>(49,488)</u>
Changes in Operating Assets and Liabilities		
(Increase)/Decrease in Trade Debtors & Other Receivables	13,764	(12,616)
(Increase)/Decrease in Trade Inventory	1,838	(79)
(Increase)/Decrease in Prepayments	1,334	(1,636)
Increase/(Decrease) in Payables	(29,912)	75,787
Increase/(Decrease) in Employee Entitlements	9,447	8,791
Net Cash Provided by Operating Expenses	<u>12,753</u>	<u>20,759</u>

CIVIL CONTRACTORS FEDERATION (TAS BRANCH)

**Notes to the Financial Statements
for the Year Ended 30 June 2012 (cont'd)**

	2012 \$	2011 \$
NOTE 12: OPERATING COMMITMENTS		
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalized in the financial statements:		
- not later than 12 months	-	-
- between 12 months and five years	-	-
- greater than five years	-	-
	<hr/>	<hr/>

NOTE 13: EVENTS SUBSEQUENT TO BALANCE DATE

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

NOTE 14: CONTINGENT LIABILITIES

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

NOTE 15: ECONOMIC DEPENDENCY

The Federation is economically dependent on ongoing funding in the form of Membership fees.

NOTE 16: FEDERATION DETAILS

The registered office and the principal place of business of the Federation is:
Civil Contractors Federation (TAS Branch)
Level 1, 176 Macquarie Street
Hobart TAS 7000

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

Report on the Financial Report

We have audited the accompanying financial report of Civil Contractors Federation (TAS Branch) ("the Federation") which comprises the statement of financial position as at 30 June 2012 and the income statement, statement of comprehensive costs, statement of changes in members fund and the cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the TAS Branch Committee of Management.

Board's Responsibility for the Financial Report

The TAS Branch Board of the Federation is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and Part 3 of Chapter 8 of Schedule 1 of the *Fair Work (Registered Organisations) Act 2009*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud and error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

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

Independence

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

Auditor's opinion

In our opinion the general purpose financial report of Civil Contractors Federation (TAS Branch) presents fairly in accordance with the *Fair Work (Registered Organisations) Act 2009* the Federation's financial position as at 30 June 2012 and its performance for the year ended on that date and complies with Australian Accounting Standards (including the Australian Accounting Interpretations).

There were kept by the TAS Branch satisfactory accounting records which detailed the sources and nature of the income (including income from members) and the nature and purposes of the expenditure.

There has been no recovery of wages activity during the year.

S. B. Anderson

STANNARDS ACCOUNTANTS & ADVISORS



M B SHULMAN (Holder of Public Practice Certificate)

Partner

Auditor Registration no. 163888

Dated in Melbourne this 7/8/12