



12 September 2014

Mr Adrian Granger  
President, Tasmanian Branch  
Civil Contractors Federation  
Unit 4/4 Beacon Court  
CAMBRIDGE TAS 7170

Dear Mr Granger

**Re: Lodgement of Financial Accounts and Statements – Civil Contractors Federation,  
Tasmanian Branch – for year ending 30 June 2014 (FR2014/156)**

I refer to the financial report of the Civil Contractors Federation, Tasmanian Branch [‘the reporting unit’] which was lodged with the Fair Work Commission on 3 September 2014.

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

Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

If you have any queries regarding this letter, I may be contacted on (02) 6746 3283 or by email at [stephen.kellett@fwc.gov.au](mailto:stephen.kellett@fwc.gov.au).

Yours sincerely

Stephen Kellett  
Senior Adviser, Regulatory Compliance Branch

**From:** KELLETT, Stephen  
**To:** ["tcook@ccftas.com.au"](mailto:tcook@ccftas.com.au)  
**Subject:** Financial Reporting - y/e 30 June 2014 - filing  
**Date:** Friday, 12 September 2014 9:40:00 AM  
**Attachments:** [CCF\\_TAS\\_FR2014\\_156 \(primary final\).pdf](#)

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Dear Mr Cook,

Please see attached my letter in relation to the above.

Yours sincerely

STEPHEN KELLETT  
Regulatory Compliance Branch  
**FAIR WORK COMMISSION**

80 William Street  
EAST SYDNEY NSW 2011

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(email) [stephen.kellett@fwc.gov.au](mailto:stephen.kellett@fwc.gov.au)

**From:** Tony Cook [<mailto:tcook@ccftas.com.au>]  
**Sent:** Wednesday, 3 September 2014 11:03 AM  
**To:** Orgs  
**Cc:** 'Kelly Civil Contracting'; Jennifer Boggiano; [rrow@ccfqld.com](mailto:rrow@ccfqld.com); Tony Cook  
**Subject:** [Kellett] On CMS FR2014/156 2013-2014 Tasmanian Financial Report

Please find attached the 2013 -14 Financial Report and Designated Officer Certificate for the Tasmanian Branch after presenting to our Members at the Annual General Meeting on the 2<sup>nd</sup> September.

If you require any other additional information, please contact me.

Regards

Please note my email has changed to [tcook@ccftas.com.au](mailto:tcook@ccftas.com.au)



Tony Cook

Chief Executive Officer

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**CIVIL CONTRACTORS FEDERATION  
(TAS BRANCH)**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 June 2014**


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**Civil Contractors Federation – Tasmanian Branch**

**Section 268 *Fair Work (Registered Organisations) Act 2009 (RO Act)***

I Adrian Granger being the President of the Tasmanian Branch certify:

- that the documents lodged herewith are copies of the full report referred to in s.268 of the RO Act for the Tasmanian Branch for the period ended 30<sup>th</sup> June 2014; and
- that the Full Report was provided to members of the reporting unit on 13<sup>th</sup> August 2014 in accordance with s.265 of the RO Act; and
- that the full report was presented to a general meeting of members of the reporting unit on 2<sup>nd</sup> September 2014 in accordance with s.266 of the RO Act.

<b>Date</b>	2 <sup>nd</sup> September 2014
<b>Signature of prescribed designated officer</b>	
<b>Name of prescribed designated officer</b>	Adrian Granger
<b>Office held</b>	State President - Tasmania

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**Operating Report  
for the Year Ended 30 June 2014**

**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 Branch 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 Branch throughout Tasmania. The Branch represents its members at all levels of Government and lobbies for concessions relating to civil construction and business trade.

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

The Branch's principal activities resulted in a profit of \$11,621 (2013 profit of \$20,091). Advocacy and member services have again been a focus, as well as workplace training. Ongoing industrial advice has also been provided this year to the members (as in prior years).

**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 of the reporting unit [to the best of my knowledge] holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

**Number of Members reg 159(a)**

The number of persons who, at the end of the financial year, were recorded on the Register of members was: 56 Members and 44 Associate Members. At the end of the previous financial year there were 58 Members and 48 Associate Members.

**CIVIL CONTRACTORS FEDERATION (TAS BRANCH)**

**Operating Report  
for the Year Ended 30 June 2014**

**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 (2013 three).

**TAS Branch Board Members reg 159(c)**

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

<b>Name</b>	<b>Position</b>	<b>Status *</b>
Adrian Granger	Branch President	
Vacant	Branch Vice-President	
Stewart Geeves	Honorary Branch Treasurer	
Justin Woolford	Branch Board Member	Appointed 3.9.13
Rob Batchelor	Branch Board Member	
Michael Hudson	Branch Board Member	
Neil Armstrong	Branch Board Member	
Simon Heazlewood	Branch Board Member	Appointed 3.9.13

\* All positions were held for the full year unless otherwise stated above.

Messers Dwyer, Sidney, Shaw and Maslin retired as Board Members on 3.9.13

**Officers & employees who are directors of a company or a member of a board**

Details of officers and employees, who are directors of a company or a member of a board, are as follows:

<b>Name of Officeholder</b>	<b>Name of Company or Board</b>	<b>Position Held</b>	<b>Principal Activity of Company or Board</b>	<b>Position Held because officer or employee of Union or nominated by Union or Peak Council</b>
Adrian Granger	Kelly Civil Contracting	President	Engineering Services	No



**Operating Report  
for the Year Ended 30 June 2014**

**Manner of resignation**

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

**9 - RESIGNATION OF MEMBERS**

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

Adrian Granger  
President

Signature

Date: 5<sup>th</sup> Day of August 2014

**TAS Branch Committee of Management Statement  
for the Year Ended 30 June 2014**

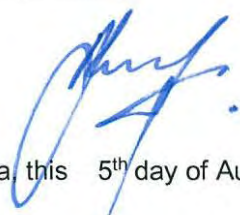
On, the 5<sup>th</sup> Day of August 2014 the Board of the Civil Contractors Branch (TAS Branch) passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2014:

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 Reporting Guidelines of the General Manager of FWC and Australian Accounting Standards;
- (b) 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;
- (c) 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;
- (d) during the financial year to which the general purpose financial report relates and since the end of that year:
  - (i) meetings of the TAS Branch Board were held in accordance with the rules of the organisation 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 organisation including the rules of a branch concerned;
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009, and the Fair Work (Registered Organisations) Regulations 2009;
  - (iv) the information sought in any request of a member of the reporting unit or the General Manager of FWC duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager of FWC;
  - (v) 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;
  - (vi) no requests were received from any member of the reporting unit or a General Manager of FWC for information under section 272 of the Fair Work (Registered Organisations) Act 2009; and
  - (vii) there have been no orders for inspection of financial records made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period; and
- (e) in relation to recovery of wage activity, there has been no recovery of wage activities during the year.

For the TAS Branch Board:

Adrian Granger  
TAS President



Dated in Tasmania, this 5<sup>th</sup> day of August 2014

**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 2014 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  
Approved Auditor (FWC Act and Regulations)

Dated 5/6/14

**Statement of Profit and Loss  
for the Year Ended 30 June 2014**

	Note	2014 \$	2013 \$
Revenue	2	348,058	377,833
TAS State Contribution		(10,000)	(8,000)
Employee Expenses	3e	(193,376)	(197,836)
CCF Cards / Other Training Costs		(32,199)	(34,246)
Functions and Activities		(38,328)	(37,914)
Training Costs - Delivery		(111)	(2,174)
Travel and Accommodation		(1,845)	(5,833)
Publications		(2,922)	(1,729)
Accounting and Audit Fees	3b	(6,427)	(6,100)
Bad Debts	3a	(614)	-
Depreciation	3c	(618)	(913)
Consultancy Fees		(300)	(20,506)
Other Expenses	3d	(49,697)	(42,491)
<b>Profit from ordinary activities before income tax expense</b>		<b>11,621</b>	<b>20,091</b>
Income tax expense	1a	-	-
<b>Net profit from ordinary activities after income tax expense attributable to the Federation</b>		<b>11,621</b>	<b>20,091</b>

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income  
for the Year Ended 30 June 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Profit for the period	11,621	20,091
Total Comprehensive Income for the period	11,621	20,091
Total Comprehensive Income attributable to members of the organisation	11,621	20,091

The accompanying notes form part of the financial statements

**CIVIL CONTRACTORS FEDERATION (TAS BRANCH)**

**Statement of Financial Position  
as at 30 June 2014**

	Note	2014 \$	2013 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	176,850	131,167
Trade and other receivables	5	151,884	172,449
Inventory	6	555	826
Other current assets	7	3,000	3,000
<b>TOTAL CURRENT ASSETS</b>		<b>332,289</b>	<b>307,442</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	8	1,819	2,437
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,819</b>	<b>2,437</b>
<b>TOTAL ASSETS</b>		<b>334,108</b>	<b>309,879</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	198,326	185,715
Short term provisions	10	14,696	14,699
<b>TOTAL CURRENT LIABILITIES</b>		<b>213,022</b>	<b>200,414</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term provisions		-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>213,022</b>	<b>200,414</b>
<b>NET ASSETS</b>		<b>121,086</b>	<b>109,465</b>
<b>MEMBERS' FUNDS</b>			
Accumulated Surplus		121,086	109,465
<b>TOTAL MEMBERS' FUNDS</b>		<b>121,086</b>	<b>109,465</b>

The accompanying notes form part of the financial statements

**Statement of Changes in Members' Funds  
for the Year Ended 30 June 2014**

	\$
Balance as at 1 July 2012	89,374
Profit /(Loss) attributable to members	<u>20,091</u>
Balance at 30 June 2013	<u>109,465</u>
	\$
Balance as at 1 July 2013	109,465
Profit /(Loss) attributable to members	<u>11,621</u>
Balance at 30 June 2014	<u>121,086</u>

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**Statement of Cash Flows  
For the Year ended 30 June 2014**

	Note	2014 \$	2013 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members and customers		366,008	231,687
Receipts from related parties – National Office		825	550
Payments to suppliers and employees		(312,940)	(230,460)
Payments to related parties - National Office		(10,000)	(8,000)
Interest received		1,790	1,760
<b>Net cash provided by operating activities</b>	14b	<b>45,683</b>	<b>(4,463)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Training Resources		-	-
<b>Net cash (used) in investing activities</b>		<b>-</b>	<b>-</b>
<b>Net (decrease)/increase in cash held</b>		<b>45,683</b>	<b>(4,463)</b>
Cash at the beginning of the financial year		131,167	135,630
<b>Cash at the end of the financial year</b>	14a	<b>176,850</b>	<b>131,167</b>

The accompanying notes form part of the financial statements



**Notes to the Financial Statements  
for the Year Ended 30 June 2014**

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

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

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

**Basis of Preparation**

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

The Civil Contractors Branch (TAS Branch) is a 'not for profit' organisation.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on fair values of consideration given in exchange for assets.

The accounting policies set out below have been consistently applied, unless otherwise stated.

**Accounting Policies**

**a. Income Tax**

The Branch 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. Plant and Equipment**

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

Cost and valuation

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

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

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

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

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

Depreciation

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

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

	2014	2013
Office, furniture and equipment	20 - 50 %	20 - 50 %

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

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

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

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

**e. Employee Benefits**

Short-term employee benefits

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

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

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

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

**e. Employee Benefits (cont'd)**

Long-term employee benefits

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

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

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

Superannuation

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

**f. Leases**

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

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

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

**g. Goods and Services Tax (GST)**

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

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

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

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

**h. Revenue**

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

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

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

**i. Comparative figures**

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

**j. Operating Segment**

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

The Branch operates predominantly in one business and geographical segment, being a representative body of civil engineering contractors in 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 Branch throughout Tasmania.

**k. Cash and Cash Equivalents**

For the purposes of the Cash Flow Statement, cash and cash equivalents include cash on hand, cash at bank and investments in money market instruments.

**l. Fair Value of Assets and Liabilities**

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

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

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

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

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

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

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

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

**m. Capitation Fees**

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

**n. Critical Accounting Estimates and Judgements**

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

*Key Estimates – Impairment*

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

No impairment has been recognised in respect of any assets for the year ended 30 June 2014, except as stated in this report.

*Key Judgements - Doubtful Debts Provision*

The Board have assessed each debtor and have estimated no provision for doubtful debts is required (2013: \$nil). The Board believes that the full amount of the debtors are recoverable.

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

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

**o. New Accounting Standards for Application in Future Periods**

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Branch, together with an assessment of the potential impact of such pronouncements on the Branch when adopted in future periods, are discussed below:

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2017).

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

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

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

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

This Standard provides clarifying guidance relating to the offsetting of financial instruments, which is not expected to impact the Branch's financial statements.

- Interpretation 21: *Levies* (applicable for annual reporting periods commencing on or after 1 January 2014).

Interpretation 21 clarifies the circumstances under which a liability to pay a levy imposed by a government should be recognised, and whether that liability should be recognised in full at a specific date or progressively over a period of time. This Interpretation is not expected to significantly impact the Branch's financial statements.

- AASB 2013-3: *Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets* (applicable for annual reporting periods commencing on or after 1 January 2014).

This Standard amends the disclosure requirements in AASB 136: *Impairment of Assets* pertaining to the use of fair value in impairment assessment and is not expected to significantly impact the Branch's financial statements.

**Notes to the Financial Statements  
for the Year Ended 30 June 2014**

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

**o. New Accounting Standards for Application in Future Periods**

- AASB 2013-4: *Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting* (applicable for annual reporting periods commencing on or after 1 January 2014).

AASB 2013-4 makes amendments to AASB 139: *Financial Instruments: Recognition and Measurement* to permit the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. This Standard is not expected to significantly impact the Branch's financial statements.

- AASB 2013-5: *Amendments to Australian Accounting Standards – Investment Entities* (applicable for annual reporting periods commencing on or after 1 January 2014).

AASB 2013-5 amends AASB 10: *Consolidated Financial Statements* to define an "investment entity" and requires, with limited exceptions, that the subsidiaries of such entities be accounted for at fair value through profit or loss in accordance with AASB 9 and not be consolidated. Additional disclosures are also required. As the Branch does not meet the definition of an investment entity, this Standard is not expected to impact the Branch's financial statements.

**p. Information to be provided to Members or General Manager of FWC**

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

- (1) A Member of an organisation, or the General Manager of FWC, may apply to the organisation for specified prescribed information in relation to the organisation 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 organisation.
- (3) An organisation must comply with an application made under subsection (1).

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (Cont'd)**

	2014 \$	2013 \$
<b>NOTE 2 : REVENUE</b>		
Operating activities:		
Member Subscriptions	123,574	102,281
Functions	56,714	67,814
Training subsidies	125,092	148,469
CCF Cards	6,759	5,787
Publications	8,879	4,150
Grants	5,000	25,000
Sponsorship	5,864	11,596
Interest received	1,790	1,760
Directors' Fees	8,449	8,426
Donations	-	-
Capitation Fees	-	-
Compulsory & Voluntary Levy	-	-
Other income	5,937	2,275
<b>Total Revenue</b>	<b>348,058</b>	<b>377,833</b>
<b>NOTE 3 : PROFIT FROM ORDINARY ACTIVITIES</b>		
The operating profit of the Branch before income tax expense has been determined after:		
<b>a. Bad and Doubtful Debts</b>		
Bad debts written off	614	-
Provision for doubtful debts	-	-
	<b>614</b>	<b>-</b>
<b>b. Accounting and Audit Fees</b>		
Accounting fees	4,200	2,900
Auditor's remuneration	2,227	3,200
	<b>6,427</b>	<b>6,100</b>
<b>c. Depreciation and Amortisation</b>		
Plant and equipment	375	615
Furniture and fittings	243	298
	<b>618</b>	<b>913</b>



**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (Cont'd)**

	2014 \$	2013 \$
<b>NOTE 3 : PROFIT FROM ORDINARY ACTIVITIES</b>		
<b>d. Other Expenses</b>		
Advertising	1,508	1,984
Postage	2,305	203
Meeting Expenses and Conferences	10,646	6,649
Subscriptions	409	9
Sponsorship	1,000	-
Print and Stationery	1,538	2,415
Telephone	2,310	2,747
Insurance	1,388	2,360
Rental	24,582	21,987
Miscellaneous Expenses	4,011	4,137
Donations / Grants	-	-
Legal Costs	-	-
Penalties – RO Act and Regulations	-	-
Consideration to Employers making Payroll Deductions	-	-
Affiliation Fees	-	-
	49,697	42,491

**e. Employee expenses**

related

Salaries	167,984	177,619
Superannuation	13,638	14,635
Employee benefits/amenities	51	(4,649)
Payroll tax	10,175	9,781
Training and recruitment	1,528	450
	193,376	197,836

**NOTE 4 : CASH AND CASH EQUIVALENTS**

**Current**

Cash on hand	480	287
Cash at bank	176,370	130,880
	176,850	131,167

The weighted average interest rate for cash as at 30 June 2014 is 2.75% (2013: 2.75%)

**NOTE 5 : TRADE AND OTHER RECEIVABLES**

**a. Current**

Trade debtors	142,391	172,449
Other debtors	9,493	-
	151,884	172,449
Less: Provision for Doubtful Debts	-	-
	151,884	172,449

**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. No debtor at year end exceeds trading terms except as provided for above

**CIVIL CONTRACTORS FEDERATION (TAS BRANCH)**

Sundry debtors (where recognised) are non-interest bearing and unsecured.

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (Cont'd)**

	2014 \$	2013 \$
<b>NOTE 6 : INVENTORIES</b>		
<b>a. Current</b>		
Training Materials and Publications at net realisable value	555	826
<b>NOTE 7 : OTHER ASSETS</b>		
<b>Current</b>		
Prepayments	3,000	3,000
<b>NOTE 8 : PLANT AND EQUIPMENT</b>		
Plant and equipment – at cost	8,130	8,130
Less: Accumulated depreciation	(7,257)	(6,882)
	873	1,248
Furniture and fittings – at cost	2,239	2,239
Less: Accumulated depreciation	(1,293)	(1,050)
	946	1,189
Total plant and equipment – net book value	1,819	2,437
<b>Plant &amp; Equipment – at cost</b>		
Carrying amount at beginning of the year	1,248	1,863
Additions	-	-
Disposals	-	-
Depreciation Expense	(375)	(615)
Carrying amount at end of year	873	1,248
<b>Furniture and Fittings – at cost</b>		
Carrying amount at beginning of the year	1,189	1,487
Additions	-	-
Disposals	-	-
Depreciation Expense	(243)	(298)
Carrying amount at end of year	946	1,189
<b>NOTE 9 : TRADE AND OTHER PAYABLES</b>		
<b>a. Current</b>		
Deferred income	154,356	159,659
Trade creditors	2,918	943
Sundry creditors and accruals	41,052	25,113
	198,326	185,715

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (Cont'd)**

**NOTE 9 : TRADE AND OTHER PAYABLES (cont'd)**

**b. Terms and Conditions**

Deferred income relates to cash receipts for membership fees, training and advertising revenue received for the 2015 year and project funding received for 2015 and beyond.

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

**NOTE 10 : PROVISIONS**

**a. Current**

Provision for annual leave	13,586	13,586
Provision for superannuation	1,110	1,113
Provision for payroll tax	-	-
	<b>14,696</b>	<b>14,699</b>

**b. Number of employees at year-end**

	<b>3</b>	<b>3</b>
--	----------	----------

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

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$
Officeholders	-	-	-	-	-	-
Other Staff	13,586	13,586	-	-	13,586	13,586
<b>Total</b>	<b>13,586</b>	<b>13,586</b>	<b>-</b>	<b>-</b>	<b>13,586</b>	<b>13,586</b>

There are no provisions for separation and redundancy or other provisions for officeholders or other employees (2013: \$nil)

**Provision for Employee Benefits**

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

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

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

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (Cont'd)**

**NOTE 11: EMPLOYEE BENEFITS**

Employee benefits paid/accrued during the year	Elected Officials (Office holders)		Employees (other than Elected Officials)		Total	
	2014 \$	2013 \$	2014 \$	2013 \$	2014 \$	2013 \$
Wages and Salaries	-	-	167,984	177,619	167,984	177,619
Annual Leave and Long Service Leave	-	-	-	(4,649)	-	(4,649)
Payroll Tax	-	-	10,175	9,781	10,175	9,781
Superannuation	-	-	13,638	14,635	13,638	14,635
<b>Total</b>	-	-	<b>191,797</b>	<b>197,386</b>	<b>191,797</b>	<b>197,386</b>

There were no redundancy or separation payments this year (2013: \$nil).

**NOTE 12 : FINANCIAL RISK MANAGEMENT**

**Financial Risk Management Policies**

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

The Branch's does not have any derivative instruments at 30 June 2014.

**i. Terms, Conditions and Accounting Policies**

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

**ii. Treasury Risk Management**

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

**iii. Financial Risk Exposures and Management**

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

**Liquidity risk**

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

**Interest rate risk**

The Branch has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.

As at 30 June 2014, 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:

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (Cont'd)**

	2014 \$	2013 \$
<b>Change in profit/(loss)</b>		
Increase in interest rate by 1%	1,768	1,312
Decrease in interest rate by 1%	(1,768)	(1,312)
<b>Change in equity</b>		
Increase in interest rate by 1%	1,768	1,312
Decrease in interest rate by 1%	(1,768)	(1,312)

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

**Interest Rate Risk**

The Branch's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:-

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	1 year or less \$	Fixed Interest Rate Maturities			Total \$
				1 to 5 years \$	Over 5 years \$	Non Interest Bearing \$	
<b>30 June 2014</b>							
<b>Assets:</b>							
Cash	2.75	176,850	-	-	-		176,850
Trade and Sundry Debtors		-	-	-	-	154,884	154,884
		176,850	-	-	-	154,884	331,734
<b>Liabilities:</b>							
Sundry Creditors & Other Liabilities		-	-	-	-	(199,436)	(199,436)
		-	-	-	-	(199,436)	(199,436)
Net financial assets		176,850	-	-	-	(44,552)	132,298
<b>30 June 2013</b>							
Total financial assets	2.75	131,167	-	-	-	175,449	306,616
Total financial liabilities		-	-	-	-	(186,828)	(186,828)
Net financial assets		131,167	-	-	-	(11,379)	119,788

**Credit Risk Exposure**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the Statement of Financial Position and notes to the financial report.

The Branch is not materially exposed to any individual credit risk.

**iv. Net Fair Values**

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

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 13: RELATED PARTIES**

**a. TAS Branch Board members**

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

Adrian Granger, Stewart Geeves, Justin Woolford, Rob Batchelor, Michael Hudson, Neil Armstrong and Simon Heazlewood. Cranston Shaw, Phil Sidney, Patrick Dwyer and Hugh Maslin retired as Board Members during the financial year.

Members of the TAS Branch Board received no attendance fees during the year, nor did they accrue any leave entitlements.

The officeholders received no 'non cash' benefits (2013: \$nil). No officeholder of the Branch during the year and/or the prior year had any material personal interest in a matter that he/she has or did acquire, or a relative of the officeholder has or did acquire.

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

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

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

Tony Cook – Chief Executive Officer

c. Key Management Personnel Remuneration	2014 \$			2013 \$		
	Short Term Benefits \$	Post Employment Benefits \$	Total \$	Short Term Benefits \$	Post Employment Benefits \$	Total \$
Total Compensation	105,052	8,330	113,382	86,080	7,747	93,827

d. Annual Leave and Long Service Leave Accrued for Key Management Personnel at end of the Year	2014 \$			2013 \$		
	Annual Leave \$	Long Service Leave \$	Total \$	Annual Leave \$	Long Service Leave \$	Total \$
Total Annual Leave Provision	10,501	-	10,501	8,306	-	8,306

No termination benefits or share based payments were received by officeholders or employees during the year (2013: \$nil).

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 13 : RELATED PARTIES (cont'd)**

**e. Transactions with National Office, Branches and Related Entities**

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

Levy Payment	2014	2013
	\$	\$
During the year, the TAS Branch paid to the National Office a per capita payment calculated in accordance with the rules.	10,000	8,000

**f. Related Party balances at year end**

Amounts receivable/(payable) at reporting date	2014	2013
	\$	\$
National Office	-	-
South Australia	(100)	-
Victoria	(1,820)	-
	<u>(1,920)</u>	-
<b>Balance Reconciliation- related entities</b>		
<b>National Office</b>		
Carrying amount at beginning of the year		
Levy charged	(10,000)	(8,000)
Sundry Charges to National Office	825	550
Receipts	(825)	(550)
Payment made	10,000	8,000
Carrying amount at end of the year	<u>-</u>	-
<b>South Australia Branch</b>		
Carrying amount at beginning of the year	-	-
Sundry Charges	(100)	-
Carrying amount at end of the year	<u>(100)</u>	-
<b>Victoria Branch</b>		
Carrying amount at beginning of the year	-	-
Sundry Charges	(1,820)	-
Carrying amount at end of the year	<u>(1,820)</u>	-

**g. Other**

The Branch rents its premises on normal terms and conditions from an entity in which Mr Granger is a director. Such rental is \$22,000 per annum. Mr Granger receives fees for holding directorships on behalf of the Branch, such fees are paid directly to the Branch and disclosed as director fees (see Note 2 to this report).

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

	2014 \$	2013 \$
<b>NOTE 14: CASH FLOW INFORMATION</b>		
<b>a. Reconciliation of Cash</b>		
Cash on hand	480	287
Cash at bank	176,370	130,880
	<u>176,850</u>	<u>131,167</u>
	176,850	131,167
<b>b. Reconciliation of profit from ordinary activities after income tax to net cash provided by operating activities</b>		
Operating profit after income tax	11,621	20,091
<b>Non-cash flows in profit / (deficit) from ordinary activities</b>		
- Depreciation and amortisation	618	913
<b>Changes in Operating Assets and Liabilities</b>		
Decrease/(Increase) in receivables	20,565	(143,836)
Decrease/(Increase) in inventories	271	-
Decrease/(Increase) in other assets	-	(2,698)
(Decrease)/Increase in payables and other creditors	12,611	124,606
(Decrease)/Increase in provisions	(3)	(3,539)
Net Cash Provided by Operating Activity	<u>45,683</u>	<u>(4,463)</u>



**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

	2014 \$	2013 \$
<b>NOTE 15: OPERATING COMMITMENTS</b>		
<b>Operating Lease Commitments</b>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
- not later than 12 months	-	-
- between 12 months and five years	-	-
- greater than five years	-	-

**NOTE 16: FAIR VALUE MEASUREMENT**

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

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

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

**a. Fair Value Hierarchy**

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

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

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

**Valuation techniques**

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

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

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 16: FAIR VALUE MEASUREMENT (cont'd)**

**a. Fair Value Hierarchy (cont'd)**

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

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

	Note	30 June 2014			Total
		Level 1 \$	Level 2 \$	Level 3 \$	
<b>Recurring fair value measurements</b>					
<i>Financial assets</i>					
Financial assets at fair value through profit or loss:					
Available-for-sale financial assets:					
<b>Total financial assets recognised at fair value</b>		-	-	-	-
<i>Non-financial assets</i>					
Freehold land & buildings		-	-	-	-
<b>Total non-financial assets recognised at fair value</b>		-	-	-	-

	Note	30 June 2013			Total
		Level 1 \$	Level 2 \$	Level 3 \$	
<b>Recurring fair value measurements</b>					
<i>Financial assets</i>					
Financial assets at fair value through profit or loss:					
Available-for-sale financial assets:					
<b>Total financial assets recognised at fair value</b>		-	-	-	-
<i>Non-financial assets</i>					
Freehold land & buildings		-	-	-	-
<b>Total non-financial assets recognised at fair value</b>		-	-	-	-

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 16: FAIR VALUE MEASUREMENT (cont'd)**

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

Description	Fair Value at 30 June 2014 and 30 June 2013 \$	Valuation Technique(s)	Inputs Used
Non-financial assets	-	n/a	n/a
Financial assets at fair value through profit or loss:	-	n/a	n/a
Available-for-sale financial assets:	-	n/a	n/a
	-	n/a	n/a

**c. Disclosed Fair Value Measurements**

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

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

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

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

**NOTE 17: EVENTS SUBSEQUENT TO BALANCE DATE**

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

**Notes to the Financial Statements  
for the Year Ended 30 June 2014 (cont'd)**

**NOTE 18: CONTINGENT LIABILITIES**

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

**NOTE 19: ECONOMIC DEPENDENCY**

The Branch is economically dependent on ongoing funding in the form of Membership fees, existing worker training from contractors and new entrant training income.

**NOTE 20: OTHER DISCLOSURES**

The Branch did not receive financial support from any other reporting unit during the year. Except as disclosed in the Statement of Profit and Loss, there were no expenses in connection with holding meetings of members of the Branch and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the Branch was wholly or partly responsible.

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

**NOTE 21: BRANCH DETAILS**

The registered office and the principal place of business of the Branch is:  
Civil Contractors Federation (TAS Branch)  
Unit 4/4 Beacon Court  
Cambridge TAS 7170

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

To the Members of Civil Contractors Branch – TAS Branch

**Scope**

**The financial report and Committee of management responsibility**

The financial report comprises the Committee of Management Statement, Statement of Profit and Loss, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement, and accompanying notes to the financial statements for the Civil Contractors Branch (TAS Branch) for the year ended 30 June 2014 set out on pages 4 to 30.

The TAS Branch Board of the Branch is responsible for the preparation and true and fair presentation of the financial report in accordance with Australian Accounting Standards, the Reporting Guidelines of the General Manager of FWC and other mandatory financial reporting requirements in Australia. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

**Audit Approach**

We conducted an independent audit in order to express an opinion to the members of the TAS Branch. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with Australian Accounting Standards, the Reporting Guidelines of the General Manager of FWC and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Branch's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting estimates made by members of the Committee of Management.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

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

**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

**Audit Opinion**


In our opinion, under the Fair Work (Registered Organisations) Act 2009, the general purpose financial report is presented fairly in accordance with any of the following that apply in relation to the reporting unit:

- a. Australian Accounting Standards, and Australian Accounting interpretations;
- b. in relation to recovery of wages activity;
  - (i) that the scope of the audit encompassed recovery of wages activity
  - (ii) that the financial statements and notes and recovery of wages activity fairly report all information required by the reporting guidelines of General Manager of FWC, including;
    1. Any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
    2. Any donations or other contributions deducted from recovered money; and
- c. Any other requirements imposed by these Reporting Guidelines or the Fair Work (Registered Organisations) Act 2009.

In our opinion, there were kept by the organisation satisfactory accounting records detailing the source and nature of all income and the nature of all expenditure.

As part of our audit of the organisation for the year ended 30 June 2014, we are of the opinion that management's use of the going concern basis of accounting in the preparation of its financial statements is appropriate.

  
Stannards Accounting and Advisors

  
MB Shulman  
Registered Company Auditor (163888)  
Holder of Current Public Practice Certificate  
Approved Auditor (FWC Act and Regulations)

Dated this 5<sup>th</sup> day of June 2014

**CIVIL CONTRACTORS FEDERATION  
TASMANIAN BRANCH  
(CCFTAS)**

**AUDIT  
FOR THE YEAR  
ENDED 30 JUNE 2014**

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## 1. INTRODUCTION

### 1.1 Purpose of Report

We have completed our interim and final balance date audits of CCFTAS for the year ended 30 June 2014. This report sets out a summary of our findings.

### 1.2 Scope of Review

In undertaking our audit this year, our principal procedures included:

- a review of the internal control environment adopted by CCFTAS;
- reconciliation of CCFTAS's divisional results (as reported in the 30 June 2014 management accounts) to source documentation;
- a comparison of results reported in the current period to those of prior periods, aimed at identifying unusual or significant trends;
- a review of major balance sheet account reconciliations prepared by management, aimed at identifying unusual or long standing reconciling items; and
- a search for unrecorded liabilities.

Significant matters arising from our review are set in Section 2 of this report.

It should however be noted, on the basis of the procedures outlined above, we have no reason to believe that CCFTAS's results from operations (as summarised below) for the year ended 30 June 2014 and its financial position at that date are not reasonably stated. Further, we shall be in a position to sign CCFTAS's accounts, once they have been approved by the Committee of Management of CCFTAS.

Set out below are the profits / (losses) generated by CCFTAS this year.

#### Results from Operations

	<b>Profit after Tax 30 June 2014 \$000</b>	<b>Profit after Tax 30 June 2013 \$000</b>
Membership Income	123	102
Training Fees	125	148
Sponsorship's & Social Functions	63	68
Other Income	37	60
Gross Revenue	348	378
Employee Costs	(193)	(197)
Other Costs	(144)	(161)
<b>Net Profit</b>	<b>11</b>	<b>20</b>

The overall result of CCFTAS this year has fallen vis-à-vis the 2013 year. Revenue has decreased by some \$0.03 million overall primarily due to a decrease, training fees and grants. Expenditure has also decreased by some \$0.02 million primarily due to a decrease in employee expenses and consultancy fees, hence the Branch was able to generate a surplus at year end. The capacity of CCFTAS to generate positive returns continues to be dependent upon its capacity into the future, to maintain and grow membership levels, maintain its training revenue base and deliver relevant and appropriate training and other services to its members. At 30 June 2014, CCFTAS had cash reserves of \$0.18 million and net assets of \$0.12 million, we believe it is solvent at that date.

## 2. AUDIT MATTERS

As a result of our audit procedures, we have identified a number of matters that are detailed below for the Committee of Management's information.

### 2.1 Reconciliations Review

The major asset and liabilities of CCFTAS comprise cash, investments, receivables, accounts payable, property and plant, employee entitlements and prepaid income. A summary of our findings from our review of reconciliations of those accounts at 30 June 2014 is as follows:–

<b>Balance Sheet Account</b>	<b>CCFTAS</b>
Cash at Bank	✓
Investments	✓
Receivables	✓
Plant & Equipment	✓
Accounts Payable	✓
Employee Entitlements	✓
Income in Advance	✓

✓ *Reconciliation adequately completed at 30 June 2014 – no long standing or unreconcilable items exist.*

### 2.2 Adoption of Revised FWC Legislation

In the 2014 year, revised FWC legislation became operative for all registered bodies. CCF (to comply with the same) has:-

- modified its rules to comply with the new legislation;
- documented policies and procedures pertaining to governance of the Branch; and
- extended disclosures in its annual report to satisfy the FWC's new financial reporting requirements (e.g. related party disclosures).

We believe based upon our audit procedures, that the Branch is fully compliant with the new legislation. We recommend that:-

- at least semi-annually, compliance with the new legislation be reconfirmed by the Board, including updating the 'register of interest' to ensure it is current and assessing the adoption of documented policies and procedures; and
- if any non-compliances are detected, they be rectified as soon as possible.

We would be pleased to assist the Board with development of an appropriate internal audit plan to facilitate such a compliance review.

### 2.3 Income in Advance

Given that CCFTAS's subscriptions were levied prior to balance date, the net income generated/received from those subscriptions relating to the 2015 subscription year has been deferred and will be recognized in the profit/(loss) in the next financial year.

We concur with this accounting treatment and believe it is prudent.

## **2.4 Phase 1 and Phase 2 Audit Report**

In our 2014 Phase 1 and Phase 2 audit report, we did not become aware of any major deficiencies in CCFTAS's operations and internal controls given its nature and size. Based upon our phase 3 audit, our conclusion in respect of this remains unchanged.

## **2.5 Other Matters**

On the basis of our audit procedures, we did not become aware of any other significant matters which we believe would have a material impact on CCFTAS's results from operations for the year ended 30 June 2014 and its financial position at that date.

We would be pleased to discuss the contents of this report in further detail at your earliest convenience.

## **3. GENERAL**

- 3.1 In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party other than CCFTAS in respect of this report, including any errors or omissions therein, arising through negligence or otherwise however caused.
- 3.2 This report is not to be used for any purpose other than those specified herein, nor may extracts or quotations be made without our express pre-written approval.

## **CCF (TAS BRANCH) Remuneration Report**

Pursuant to the rules and the FWC Legislation, the Committee of Management makes the following disclosure for the year ended 30 June 2014:-

No remuneration was received by any officeholder in connection with them holding office this year at CCF (TAS Branch) or as a member of a Board where such position is held because the officer is an officer of the Branch or was nominated for the position by the Branch or a peak council, except as disclosed in the financial report for the year.

**CCF (TAS BRANCH)**  
**Personal Interests**

Pursuant to the rules, the Committee of Management confirms that no officer of the Branch held any personal interest in a matter that the officer has or acquired, or a relative of the officer has or acquired that relates to the affairs of the Branch, except as disclosed in the financial report this year.

**CCF (TAS BRANCH)**  
**Payments to/by Branches**

Pursuant to rules, the Committee of Management confirms that the following payments / receipts occurred in relation to related parties and / or declared parties for the year ended 30 June 2014

**Transactions with National Office, Branches and Related Entities**

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

Levy Payment	2014	2013
	\$	\$
During the year, the TAS Branch paid to the National Office a per capita payment calculated in accordance with the rules.	10,000	8,000

**Related Party balances at year end**

Amounts receivable/(payable) at reporting date – Federal office	2014	2013
National Office	-	-
South Australia	(100)	-
Victoria	(1,820)	-
	<u>(1,920)</u>	<u>-</u>

**Balance Reconciliation- related entities**

<b>National Office</b>		
Carrying amount at beginning of the year		
Levy charged	(10,000)	(8,000)
Sundry Charges to National Office	825	550
Receipts	(825)	(550)
Payment made	10,000	8,000
Carrying amount at end of the year	<u>-</u>	<u>-</u>
<b>South Australia Branch</b>		
Carrying amount at beginning of the year	-	-
Sundry Charges	(100)	-
Carrying amount at end of the year	<u>(100)</u>	<u>-</u>
<b>Victoria Branch</b>		
Carrying amount at beginning of the year	-	-
Sundry Charges	(1,820)	-
Carrying amount at end of the year	<u>(1,820)</u>	<u>-</u>

**Other**

The Branch rents its premises on normal terms and conditions from an entity in which Mr Granger is a director. Such rental is \$22,000 per annum. Mr Granger receives fees for holding directorships on behalf of the Branch, such fees are paid directly to the Branch and disclosed as director fees (see Note 2 to the financial report).



14 July 2014

Mr Adrian Granger  
President  
Civil Contractors Federation-Tasmanian Branch  
Sent by email: [ccftas@civilcontractors.com](mailto:ccftas@civilcontractors.com)

Dear Mr Granger,

**Re: Lodgement of Financial Report - [FR2014/156]  
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Tasmanian Branch of the Civil Contractors Federation (the reporting unit) ended on 30 June 2014.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 January 2015 (being the expiry date of 6 months and 14 days from the end of the financial year), under s.268 of the RO Act.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. Further, the General Manager's updated Reporting Guidelines, that apply to all financial reports prepared on or after 30 June 2014, are also available on the website. For your convenience, our webinar video and slides on the Reporting Guidelines have also been placed on the website.

The Fair Work Commission has also developed a model set of financial statements. There is no requirement to use this model but it may be a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. All of the above information can be accessed through our website under [Financial Reporting](#).

The financial report and any statement of loans, grants or donations made during the financial year [statement must be lodged within 90 days of end of financial year] can be emailed to [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au). A sample statement of loans, grants or donations is available at [sample documents](#).

**It should be noted that s.268 is a civil penalty provision.** Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$51,000 for a body corporate and \$10,200 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at [robert.pfeiffer@fwc.gov.au](mailto:robert.pfeiffer@fwc.gov.au).

Yours sincerely,

Robert Pfeiffer  
Senior Adviser  
Regulatory Compliance Branch

## TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
<p>(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.</p> <p>(b) A # designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).</p>	/ /	As soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	<p>Within a reasonable time of having received the GPFR</p> <p>(NB: Auditor's report must be dated on or after date of Committee of Management Statement</p>
<p>Provide full report free of charge to members – s265</p> <p>The full report includes:</p> <ul style="list-style-type: none"> <li>the General Purpose Financial Report (which includes the Committee of Management Statement);</li> <li>the Auditor's Report; and</li> <li>the Operating Report.</li> </ul>	/ /	<p>(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,</p> <p>or</p> <p>(b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.</p>
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	Within 14 days of meeting

\* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

# The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.