



Mr Robert Seiffert  
Chief Executive Officer  
Civil Contractors Federation  
Victorian Branch

email: [ccfvic@civilcontractors.com](mailto:ccfvic@civilcontractors.com)

Dear Mr Seiffert

**Re: Schedule 1 of the Workplace Relations Act 1996 (Schedule 1)  
Financial Report for Civil Contractors Federation (Victorian Branch) for year  
ended 30 June 2007 – FR2007/303**

I acknowledge receipt of the financial report for the Victorian Branch of the Civil Contractors Federation for the year ended 30 June 2007. The report was lodged with the Registry on 1 October 2007.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

### ***Operating Report***

*Not signed by designated officer*

I note that the operating report has been signed by the organisation's Chief Executive Officer.

The operating report may be prepared by the committee of management or a designated officer (refer s254(3) of the RAO Schedule). An examination of the rules of the organisation indicates that the Chief Executive Officer is not an "officer" or "designated officer" within the definitions set out in ss243(6) of the RAO Schedule.

Future operating reports should be signed by a person holding a position falling within the definition of "designated officer".

*Trustee of superannuation entity*

The report must give details (including details of the position held) of any officer or member of the reporting unit who is:

- (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and

where the criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation.

If no officers or members of the reporting unit is a trustee of a superannuation entity, the preferred wording to satisfy ss254(2)(d) is:

*“No officer or member of the reporting unit 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.”*

***Notes to the financial reports***

As previously noted, subsection 275(5) of the RAO Schedule requires the general purpose financial reports to include a copy of subsections 272(1), (2) & (3). This information should be set out in the Notes to the General Purpose Financial Reports and the wording of section 272 should refer to the following:

*(1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.*

*(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.*

*(3) A reporting unit must comply with an application made under subsection (1).*

***Audit Report***

**Auditor Qualification**

It is not clear from the Report whether or not the Auditor is an approved Auditor. In this regard I draw your attention to the definitions of approved auditor in regulation 4 of the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003. In all likelihood the Auditor is such a person however, it is our preference that this is made explicit in the Report. I recommend you draw this comment to the attention of your Auditors.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely



Kevin Donnellan

Statutory Services Branch  
25 October 2007



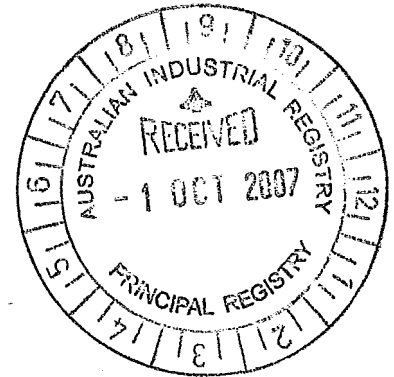
**VICTORIAN BRANCH:**

192B Burwood Road, Hawthorn, Victoria 3122  
PO Box 6165, Hawthorn, Victoria 3122  
Telephone: (03) 9819 5170 Facsimile: (03) 9819 6098  
Website: www.civilcontractors.com Email: ccfvic@civilcontractors.com  
ABN 97 341 352 156

27<sup>th</sup> September, 2007

Mr Iain Stewart  
The Industrial Registrar  
Australian Industrial Registry  
GPO Box 1994  
Melbourne VIC 3001

Dear Iain



**Lodgement of Prescribed Material**

Please find enclosed the Certificate of Designated Officer and accompanying reports which are lodged pursuant to Section 268 of Schedule 1 of the *Workplace Relations Act 1996*.

Please let me know if you require any further information.

Yours sincerely,

Bob Seiffert  
Chief Executive Officer



# CIVIL CONTRACTORS FEDERATION

## VICTORIAN BRANCH:

192B Burwood Road, Hawthorn, Victoria 3122  
PO Box 6165, Hawthorn, Victoria 3122  
Telephone: (03) 9819 5170 Facsimile: (03) 9819 6098  
Website: [www.civilcontractors.com](http://www.civilcontractors.com) Email: [ccfvic@civilcontractors.com](mailto:ccfvic@civilcontractors.com)  
ABN 97 341 352 156

## **Certificate of Designated Officer** **S268 of Schedule 1 *Workplace Relations Act 1996***

I, John Plumridge, being the President of the Civil Contractors Federation (Victorian Branch) certify:

- That the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- That the full report was provided to members on 24<sup>th</sup> August, 2007; and
- That the full report was presented to a general meeting of members of the reporting unit on 26<sup>th</sup> September, 2007, in accordance with section 266 of the RAO Schedule.

Signature:

A handwritten signature in black ink, appearing to read "John Plumridge", written over a light grey background.

Date: 27<sup>th</sup> September, 2007



## **Victorian Branch**

# **ANNUAL**

# **REPORT**

**2006/07**

Address	:	192B Burwood Road, Hawthorn
Mail	:	PO Box 6165, Hawthorn 3122
Telephone	:	03 9819 5170
Facsimile	:	03 9819 6098
Email	:	<a href="mailto:ccfvic@civilcontractors.com">ccfvic@civilcontractors.com</a>
Website	:	<a href="http://www.civilcontractors.com">www.civilcontractors.com</a>

## **OVERVIEW**

As a national industry organisation representing companies responsible for building Victoria's infrastructure, the Victorian Branch of the Civil Contractors Federation has over the 2006/07 financial year:

- further enhanced its advocacy role at State and Local Government levels;
- assisted in strengthening the membership and influence of the Victorian Civil Construction Industry Alliance;
- further strengthened the Branch's excellent financial position;
- improved Member satisfaction in regard to our service delivery;
- influenced the development of the new OH&S Regulations and Compliance Codes;
- increased our range of services including the introduction of the CCF State Conference, free to Members;
- implemented a comprehensive program of Workplace Sustainability to promote the civil construction industry, provide additional training opportunities and highlight career opportunities in the industry;
- further developed the CCF Integrated Management System to meet contemporary requirements;
- lead the review of the Best Practice Guide for Tendering and Contract Management and securing the endorsement and support of the Institute of Public Works Engineering Australia;
- further enhanced communications with Members;
- maintained best practice governance, risk management, strategic planning and administrative arrangements;
- taken the quality of social functions and regional meetings to a higher level; and
- continued to effectively represent individual members in relation to contractual matters.

## **GOVERNANCE**

Peter Rahilly did not seek re-election to the Board and early in the year, Gary McClure resigned due to changed work circumstances. We thank them both for the substantial contribution to the Branch over the years. Indeed, Gary's contribution at both Branch and National level was recognised through life membership being bestowed on him at the National Conference Gala Dinner.

Utilising the discretion available to it under the Federation's Constitution, the Board invited Steve Pittonet of Downer EDi Works and Ian Sowerby of Sure Constructions to join the Board.

A key focus of the facilitated 2007 Corporate Workshop was an examination of the currency of pre-existing Board objectives.

The Executive Committee, Pipelines Forum, Infrastructure Maintenance Services Group and the Special Interest Group continued to meet throughout the year and issues raised therefrom have been prosecuted through the Board or to appropriate authorities.

The Victorian Civil Construction Industry Alliance, which is chaired and serviced by the Branch's CEO, comprises 14 other kindred organisations and is now well recognised by State and Local Governments as an important industry alliance.

## **BUSINESS PLAN PERFORMANCE**

49 of the 53 objectives presented in the 2006/07 Business Plan were delivered. However, an additional seven objectives not identified in the Business Plan were delivered throughout the year.

Two incomplete objectives were transferred to the 2007/08 Plan and two were incapable of finalising due to circumstances beyond the control of the Branch.

A summary of performance against specific Team Contribution Indicators documented in the Business Plan is as follows:

- Conversion of identified prospectives to Members - 31 (target 25)
- Maintain membership retention at not less than 98% - 557(target 535)
- Increase membership base - 2.5% (target 3%)
- Increase by 10% the number of Councils/Government agencies specifying IMS - 31 (target 29)
- Delivery of Business Plan Objectives (allowing for additional) - 100% (target 95%)
- Meet Customer Service Undertaking targets - Achieved
- Maintain quality of production of written material - Achieved
- Maintain Member satisfaction at 2005/06 Level - Achieved
- Increase numbers attending Gala Ball by 10% - 415 (target 378)
- Reduce external accountancy costs - 10%(target 30%)

### FINANCIAL PERFORMANCE (Audited)

o Surplus on operations	\$ 136,807	
o Nett Equity	\$ 997,134	
o Cash Holding	\$ 1,041,315	(\$95,607 improvement over 2005/06)
o Total Employment Costs at % of Revenue	- 37.4%	(Target < 40%)
o Liquidity Level	- 1,883%	(Target > 300%)
o Trading Cover	- 10 Months	(Target > 3 months)
o Membership Income as % of Total Employment cost	- 79%	(Target > 70%)
o Training Income/Wages ratio	- 25%	(Target > 29%)
o Return on Earnings:		
➤ Training	- 8.0%	(Budget > 7%)
➤ Global	- 5.0%	(Budget > 6%)

The overall financial performance of the Branch has been excellent despite a downturn in training revenue which is being addressed through the 2007/08 Business Plan.

Throughout the course of the year, additional expenditure totaling some \$34,000 was authorised for the following special projects:

- Contractor Drought Support and Alternate Water Supplies
- Best Practice Guide for Tendering and Contract Management
- Benchmarking Project
- Security of Payment Pack for Members
- Independent Member Survey.

In accordance with a provision of the Branch's Risk Management Plan, two special audits were undertaken by the Branch's Auditor. Whilst the Branch received a 'clean bill of health' in regard to both audits, a few minor opportunities for improvement were identified and these have been implemented.

Given the very strong financial position of the Branch and reflecting the Branch's Contractor Drought Support Strategy, the Board has adopted a 2007/08 Budget that provides for no increase in membership subscriptions or training fees.

## **ADVOCACY**

Details in relation to the status of and successes in regard to all of the various Member-driven advocacy issues appear on the Branch's web-site.

Successes in regard to the various advocacy issues were reported to Members through e-news, The Bulletin, The Earthmover, and Regional Meetings.

One-on-one meetings were held with a considerable number Government and industry people throughout the year. This, together with the other advocacy initiatives, have assisted significantly in enhancing the branding of the CCF.

Business lunches involving some dozen or so Members were held with the Federal Safety Commissioner and the new Minister for Roads and Ports. Further lunches with Ministers and departmental heads will be held in 2007/08.

### ***Roadworks Water Supply***

On 29<sup>th</sup> March, the CCF convened a summit supported by Local Government to address how the civil construction and maintenance sector may be able to respond to any prohibition of or constraint on the use of potable water for roadworks.

The Summit was a great success with over 90 attendees from State and Local Governments, water companies, construction companies and the media.

The joint communiqué resulting from the Summit is on our website and the resulting actions are being pursued arduously through the State and Local Governments, water companies and developers.

### ***'No Go' Zones***

In response to strong representations from the CCF, the Chief Electrical Inspector and WorkSafe have agreed to pursue a number of initiatives aimed at resolving Members' concerns, including competency requirements for Spotters, performance of power companies, enhancement of guidance material, and support for a generic Safe Work Procedure template. We continue to pursue resolution of these matters.

Our priority was to address the Members' concerns regarding competency requirements for Spotters and a positive outcome was achieved.

### ***Tendering and Contract Management***

Agreement was reached with the Institute of Public Works Engineering Australia (IPWEA) to the Best Practice Guide for Tendering and Contract Management that now appears on our website.

Steps are being taken to promote the adoption of the Guide by all councils.

CCF continues discussions with VicRoads and water companies seeking their support for the principles of the Guide. Discussions are underway with the IPWEA nationally aimed at rolling-out the Guide to other states.



### ***Review of OH&S Regulations and Codes***

Despite being initially rejected, the Victorian Civil Construction Industry Alliance, which is auspiced by the CCF, had successfully secured a seat on each of the seven committees established by WorkSafe to review the relevant OH&S Regulations and Codes.

The particular concerns of Members regarding existing OH&S regulatory controls have been strongly prosecuted by the CCF representatives involved in the Review. The CCF responded to the Regulatory Impact Statement which was released in early 2007.

Strong representations have been made to the Minister seeking the application of Section 28 to clients and designers (in accordance with the National Standard) and the development of more appropriate approach by WorkSafe to investigations involving casualty accidents.

The CCF is playing an active role in the development of the new OH&S Compliance Codes and Guidelines.

To that end, encouraging discussions have commenced with WorkSafe aimed at securing a sensible approach to the provision of worksite amenities on subdivisions.

### ***Using Machinery as Crane***

The Branch sponsored a National CCF response to a proposal to amend the Australia Standard AS1418.8 to regulate the use of excavators, backhoes, etc as cranes for loads of less than 3-tonnes. Implementation of this new standard will have a significant cost impact on the civil construction sector. Strong representations continue to be made to Standards Australia and WorkSafe in relation to this matter.

### ***Stampduty on Earthmoving Plant***

Action has commenced to lobby the State Government to address the inequity between States in relation to stamp duty on earthmoving plant.

### ***Contractor Support During the 2007 Gippsland Fires***

The Department for Sustainability and Environment responded positively to the CCF and contractors' concerns about how they were managed and remunerated for the enormous amount of work they did to support the emergency services during the 2007 Gippsland fires.

### ***Oversize Overmass (OSOM) Operator's Group***

At the invitation of the Victorian Transport Association, the CCF has joined the OSOM Operator's Group which has been formed to address the unrealistic constraints on the heavy haulage industry. Our focus is on ensuring that heavy haulage vehicles are available to our Members to enable the efficient movement of earthmoving equipment, bridge beams, etc.

### ***Contractor Drought Support Strategy***

At its December 2006 Meeting, the Board approved a Contractor Drought Support Strategy, a copy of which is on our website.

### ***Security of Payments***

The CCF continues to lobby the Minister to have administrative arrangements established to address the particular concerns of Civil Contractors in regard to final payments by developers and sub-contractors remaining unpaid following a principal contractor going into liquidation.

The CCF has facilitated discussions between its Members and the Small Business Commissioner aimed at resolving payment disputes between Members and Councils and water companies.

### ***Worksite Safety Traffic Management Code of Practice***

The CCF has maintained an active role on the Government Reference Group established to oversee the implementation of this Code with a particular focus on addressing the inconsistencies in the application of the Code by councils, VicRoads and water companies.

In response to representations from our Infrastructure Maintenance Services Group, officers of VicRoads and WorkSafe met with the Group during July 2006 to discuss a number of the concerns of the Group relating to the application of the Code.

Conjointly with other industry organisations, successful outcomes were achieved in relation to the redesign of the traffic management training, saving contractors considerable expense on unnecessary prerequisite training.

### ***Standardisation of Specifications***

Discussions have commenced with ALDE, UDIA, local government, water companies, Government agencies and the Institute of Public Works Engineering Australia aimed at securing agreement for the universal use of one form of General Conditions of Contract.

A meeting held with the Secretary of the Department of Infrastructure in December 2006 on behalf of the Alliance, resulted in a commitment being given to establish a pilot project in the Gippsland Region aimed at pursuing standardisation within the civil construction sector.

### ***Noise Controls***

Responding to Members' concerns, discussions occurred with Local Government and the EPA regarding the constraints being placed on construction companies by councils in relation to working before 9.00am on Saturdays to comply with the EPA's noise guidelines. The EPA has convened a working group to address Members' concerns in the lead-up to the sunsetting of the current regulations, and CCF has an active role on that group.

### ***Falls Regulations***

The Branch sponsored a National CCF response to the proposed National Falls Code and was successful in having the maintenance of earthmoving plant exempted from the Code.

### ***Contract Dispute Resolution***

The CCF has successfully represented a number of Members in relation to disputes with councils with outcomes beneficial to members.

### ***Use of Surety Bonds***

Representing a Member, the CCF was successful in having the Department for Primary Industries review its prohibition on the use of Surety Bonds.

### ***Best Value***

The CCF's Infrastructure Maintenance Services Group has maintained a keen interest in the development of Best Value-Stage 2, having made submissions to the Best Value Commission and the Minister for Local Government (Best Value is the successor to Compulsory Competitive Tendering in Local Government). Agreement was reached with the IPWEA to jointly pursue a focus on asset management through Best Value-Stage 2.

## **MEMBER SERVICES**

The quarterly dinner and breakfast meetings continued to receive strong support from Members.

Two very successful Golf Days, a memorable Gala Ball, an entertaining Case Earth Awards Dinner and two enjoyable Pipelines Dinners provided excellent social and networking opportunities for Members.

A number of value-add initiatives were introduced including:

- agreement with a demand-aggregation company to facilitate access to bulk purchasing arrangements by Members holding IMS systems certification;
- a breakfast seminar, free to Members, on the subject "WorkChoices – 12 months on";
- development of a benchmarking project through the Infrastructure Maintenance Services Group;
- development and distribution to all Members of a comprehensive guide on the use of the amended Security of Payment legislation;
- distribution of guidance material in relation to the new consultation requirements under the new consolidated OH&S Regulations; and
- commenced work on the development of a sustainability tendering template for use by Members.

Specific briefings on the amended Security of Payment legislation and the Aboriginal Heritage Act and Regulations were provided to Members through regional meetings.

Regular Member meetings have been established for the Warrnambool Region and although meeting numbers have been limited, there is considerable potential for new Members in this region.

Having secured from WorkSafe a sensible approach to the application of the Falls Regulations to the maintenance of earthmoving plant, a generic Safe Work Procedure template and other guidance material for use by Members were developed, and these are posted on our website. Guidelines relative to the application of the Falls Regulations to trenches have also been developed and published for use by Members.

The Branch CEO is chairing a forum involving representatives of local government, the quarry industry, VicRoads, UDIA and ALDE which has been established to address apparent deficiencies in the management of the quality of materials supplied for roadworks.

An independently conducted Member satisfaction survey was undertaken which, whilst highlighting an extremely high level of satisfaction with the performance of the Branch, also identified a few minor areas for improvement that are being addressed.

A series of User Group Meetings have been held across key regional areas to assist members develop and implement their management systems.

A major review of the CMS Program was held with wide ranging outcomes that will assist further growth of the systems and the Program as a whole.

The Branch has further reduced the burden on regional committees through the organization and co-ordination of Regional Meetings.

Available Worksafe funding was successfully used to provide 30 OH&S based consultancies for smaller contractors; this has been further supported by another 25 consultancies for the 2007/08 year.

### Key Deliverables

○ Total Membership	-	557	○ No. Worksite Programs	-	144
○ Metropolitan Members	-	240	○ No. of regional meetings	-	29
○ Country Members	-	227	○ CMS Systems sold	-	36
○ Associates	-	90	○ CMS Certified Contractors	-	228
○ New Members	-	48	○ New memberships resulting from sale of CMS	-	27
○ Member resignations	-	27	○ Receivables processed	-	9,000
○ Members terminated	-	10	○ Sponsorship received	-	\$133,000
○ Membership Growth	-	2.5%	○ No. HR/ER queries	-	420
○ No. Calendar Training Programs	-	118	○ Carding-Nos. Processed:		
○ Fee for Service Training (Nos. attending)	-	3,116	➤ Non Plant	-	4,714
			➤ Plant	-	2,120

### COMMUNICATION

With the assistance of IncoLink funding, the OH&S Field Officer continued the successful program of visiting Members and assisting them to understand their OH&S obligations.

Further work was undertaken in relation to improving the brand of the CCF through a range of initiatives contributing to a greater awareness of the CCF amongst the polity, Government agencies, other industry groups and the media. The higher profile of the CCF is assisting us considerably in prosecuting the interests of Members.

The Victorian segment of the CCF web site has been enhanced to provide additional information and access to past editions of e-news.

The CCF Year Book was again accepted by the Department for Sustainability and Environment as the basis from which they calculate hired equipment rates for fire suppression and remedial works.

The CCF Bulletins have undergone a review to improve readability. In addition, each edition now has a specific focus area to highlight issues in specific areas of importance.

### TRAINING

After much negotiation and review of options, approval was finally gained from EnergySafe to an alternative process to gain Spotters accreditation without having to possess a plant operator's ticket. This is now in place and available to members.

The State Conference was held for the third time with a record number of participants enjoying a comprehensive program. This success will be built on for the coming year with a yet even bigger conference that will require a shift in venue to accommodate expected numbers.

Apprentices continue to train through Victoria University TAFE and GippsTAFE. A third year intake at GippsTAFE has ensured an ongoing avenue to train young people in the industry.

The Monash University student placements again took place in conjunction with providing members with assistance in preparing Earth Award proposals. The Ian Jacka Scholarship was awarded to two outstanding Monash students.

Certificate 4 in Civil Construction has been approved and preparation of course material is now underway by Victoria University and a private Registered Training Organisation.

Work continued with prospective service providers including the Australian Community Education Centers and Australian Technical Colleges as an avenue for service delivery and skills development. Program outlines have been developed and will be implemented during 2007/08.

New Traffic Management training courses have been approved and are being implemented for members.

An updated Environmental Management course proved successful with 10 programs being run during the year.

The Victorian Civil Construction Industry Alliance Skills Summit meetings continued throughout the year in conjunction with Alliance members.

A "Taster" program has been developed for Year 10 students in Ballarat in conjunction with the Ballarat University TAFE and the CCF to introduce young people to the industry. This will entail 3 days of training in civil construction and a week on the job with member companies. A similar program is proposed for all regional and metropolitan areas for the coming year.

The recruitment of a Careers Advisor, thanks to funding from Incolink, has provided the opportunity to expand our activities in a range of Workplace Sustainability projects including:

- preparation of marketing materials for schools, parents, students and Members which include brochures, careers paths and a DVD;
- undertake a comprehensive program of Careers Expo's in both Melbourne and regional Victoria;
- developed relationships with industry players including Local Learning and Employment Networks, Careers Advisors, Regional Industry Careers Advisors, TAFE's and Universities;
- comprehensive briefings for Members in all regions;
- development of a careers website; and
- development of options for civil construction to be included in schools curriculum e.g. Certificate 1 or Certificate 2.

## **ORGANISATIONAL DEVELOPMENT**

Continuous improvement in the organisation's processes has remained a high priority with a specific focus on meeting Members' needs and enhancing the image of the Branch.

Initiatives undertaken in this area included:

- professional development visits by staff to progressive organizations;
- tour of EastLink;
- independent measurement of the Customer Service Undertaking indicators;
- specific training of staff in CPR;
- development of a Board Members' Handbook;
- retention of the Branch's ISO9001 certification;
- finalisation of the Business Continuity Plan; and
- review of the Risk Management Plan.

## **DISAPPOINTMENTS**

- Difficulty is securing meetings with Ministers and key advisers during the lead-up to the State election.
- Translation of agreed position on the new Construction Regulations not occurring in accordance with employers' views.

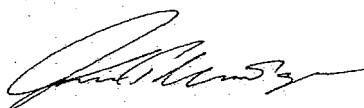
- Lack of understanding by Government officials of the impact of the drought on our sector.
- The need for the CCF to take a proactive role to address the use of potable water for roadworks.
- Failure by WorkSafe to acknowledge the importance of Section 28 of the OHS Act to apply to designers and clients.
- Non-acceptance by the Government of the employers' views on the consultation requirements of the new OHS Regulations relating to Health and Safety Representatives.
- The continuing lack of a tangible response by the Government to the CCF's 'Skills Gap' submission.
- The initial reluctance of the local government sector to roll-out the Best Practice Guide for Tendering and Contract Management.
- Continuing difficulties in achieving Member feedback on key advocacy issues.
- Reduced Fee for Service revenue during the year due to saturation of the market for base training programs such as Red Card and Traffic Management. An enhanced effort will be required during the coming year to seek other products and services and access additional sources of participants.
- Insufficient engagement and management processes within the Department for Sustainability and Environment in relation to fire recovery works.
- Lack of consideration by Aboriginal Affairs Victoria to the Branch's representations on aspects of the new Aboriginal Heritage Act and Regulations.

## THE FUTURE

Building on the achievements of the recent years and acknowledging the specific challenges impacting upon the civil construction sector, over the next 12-months or so the Branch aims to:

- maintain a high profile in regard to our advocacy and representations activities;
- further improve our branding;
- further develop the State Conference; free to Members;
- assist Members to respond to the new Security of Payment legislation and the OH&S Regulations and Compliance Codes;
- maintain the influence and the effectiveness of the Victorian Civil Construction Industry Alliance;
- take a lead role in addressing the skills shortages in our sector;
- further enhance communications with Members;
- increase Fee for Service revenue base and margin;
- work with the Department for Sustainability and Environment to standardise their processes for the engagement of contractors for fire suppression works across the State;
- utilize our strong financial position to provide increased benefits to Members;
- complete a major overhaul of the CCF Integrated Management System to bring it up to industry best practice and to meet contemporary needs in the industry;
- influence clients to only engage quality assured contractors;
- respond quickly to initiatives flowing from the Federal Election that are likely to impact upon Members;
- ensure that Members have access to the record expenditure on water infrastructure;
- achieve acceptance by water companies and Government agencies of the principles of the Best Practice Guide for Tendering and Contract Management; and
- be vigilant to ensure that our governance, risk management, strategic planning and administrative functions meet contemporary best practice.

John Plumridge  
President



Bob Seiffert  
Chief Executive Officer



**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2007**

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**CONTENTS**

Operating Report

Committee of Management Statement

Income Statement

Balance Sheet

Statement of Changes in Equity

Cash Flow Statement

Notes to the Financial Statements

Auditors' Report

Detailed Profit and Loss Statement



**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**OPERATING REPORT**

The Committee Members present this report of the CIVIL CONTRACTORS FEDERATION VICTORIAN BRANCH for the financial year ended 30 June 2007.

**Committee of Management Members**

The persons who held office as members of the Committee of Management of the Branch during the financial year were:

John Plumridge	President & Alternate Board Member (National)
Nathan Blackledge	Vice President & National Councilor
Marcus Sill	Treasurer

Andrew Simpson  
Gary Gardiner  
Graeme Chambers  
Ian Sowerby  
John Lander  
Ray de Jong  
Rick Driscoll  
Robin Hicks  
Rohan Davidson  
Steve Pittonet

**Principal Activities**

The principal activities of the Branch during the financial year were to represent the members as a peak employer body in Victoria and provide member services consistent with the objects of the Federation.

**Results of Principal Activities**

The Branch's principal activities resulted in a profit (after providing for income tax) of \$136,807.

**Significant Changes**

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

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

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

Likely developments in the operations of the Branch and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Branch.

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**OPERATING REPORT**

**Members and Employees**

The number of persons who, at the end of the year, were recorded on the Register of Members was 465. The number of persons who were, at the end of the year, employees of the Victorian Branch of the Federation was 16.3 employees measured on a full time basis.

**Manner of Resignation**

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

**"9 – RESIGNATION OF MEMBERS**

- (a) A Member may resign from the Federation by written notice addressed and delivered to the Chief Executive Officer (National).
- (b) A notice of resignation from membership of the Federation takes effect:
  - (i) At the end of two weeks after the notice is received by the Federation; or
  - (ii) On the day specified in the notice;Whichever is later.
- (c) Any dues payable but not paid by a former Member of the Federation in relation to a period before the Member's resignation from the Federation took effect, may be sued for and recovered in the name of the Federation, in a court of competent jurisdiction, as a debt due to the Federation.
- (d) A notice delivered to the person mentioned in 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 valid 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."

Name: BOB SEIFFERT

Title of Office held: CHIEF EXECUTIVE OFFICER

Signature:

Date:

22/8/07

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**COMMITTEE OF MANAGEMENT STATEMENT**

On 22<sup>nd</sup> August 2007, the Committee of Management of the Civil Contractors Federation, Victorian Branch, passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 2007:

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

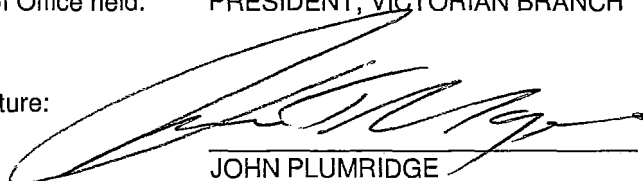
- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the 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 Workplace Relations Act 1996, and the RAO Regulations; 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) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar, and

No orders have been made by the Commission under section 273 of the RAO Schedule.

For Committee of Management:

Title of Office held:     **PRESIDENT, VICTORIAN BRANCH**

Signature:

  
JOHN PLUMRIDGE

Date:                     22<sup>nd</sup> August 2007

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$	\$
<hr/>		
<b>INCOME</b>		
Membership Contributions	830,255	763,370
Publications	62,504	86,469
Training Fees	768,580	1,175,012
	<u>1,661,339</u>	<u>2,024,851</u>
<b>OTHER INCOME</b>		
Interest Received	68,760	49,876
Meetings & Social Functions	385,219	224,262
Incolink	208,600	129,061
Sundry Income	117,519	37,505
CMS Income	277,360	176,579
Prequal Victorian Office	-	83,067
OAMPS State End Fee	12,588	10,527
	<u>1,070,047</u>	<u>710,877</u>
	<u>2,731,385</u>	<u>2,735,728</u>

The accompanying notes form part of these financial statements.

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$	\$
<b>EXPENSES</b>		
Accountancy Fees	21,360	23,842
Affiliation - National C.C.F.	86,372	85,563
Auditor's Remuneration	16,040	10,700
Bad Debts Written Off	29,252	71,554
Bank Charges	8,696	8,951
CMS	50,787	48,689
Computer Web Site	7,446	7,159
Depreciation	65,035	70,746
Donations	917	660
Doubtful Debts	-	(54,000)
Fighting Fund	10,956	2,025
Hire Purchase Charges	12,096	9,675
Legal & Professional Costs	31,086	17,259
Loss on Sale of Non-current Assets	8,050	9,011
Meetings, Seminars & Functions	305,498	247,562
Motor Vehicle Expenses	49,778	60,748
Other Administrative Costs	512,387	529,310
Payroll Tax	29,096	32,034
Provision for Annual Leave	16,217	1,229
Provision for Long Service Leave	1,653	4,611
Publications	979	19,271
Regional Support Expenditure	6,749	5,955
Salaries & Benefits - Office	120,405	124,641
Salaries & Benefits - Others	820,708	859,602
Scholarship	2,000	2,000
Subscriptions	8,500	8,680
Training Expenditure	328,937	311,885
Travelling & Accommodation	9,503	8,856
Victorian Prequal	34,077	35,827
	<u>2,594,578</u>	<u>2,564,045</u>
<b>Profit before income tax</b>	<u>136,807</u>	<u>171,683</u>

The accompanying notes form part of these financial statements.

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

	Note	2007 \$	2006 \$
Revenue	2	2,718,797	2,725,201
Other income	2	12,588	1,516
		<u>2,731,385</u>	<u>2,726,717</u>
Accountancy expenses		(21,360)	(23,842)
Auditors' remuneration	3	(16,040)	(10,700)
Bad and doubtful debt expenses		(29,252)	(71,554)
Depreciation and amortisation expenses		(65,035)	(70,746)
Employee benefits expenses		(120,405)	(124,640)
Other expenses		(2,342,486)	(2,253,552)
<b>Profit before income tax</b>	4	<u>136,807</u>	<u>171,683</u>
Retained earnings at the beginning of the financial year		860,327	688,644
<b>Profit attributable to the entity</b>		<u>997,134</u>	<u>860,327</u>

The accompanying notes form part of these financial statements.

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**BALANCE SHEET  
AS AT 30 JUNE 2007**

	Note	2007 \$	2006 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	1,041,315	945,708
Trade and other receivables	6	934,716	1,094,825
Inventories	7	17,795	13,054
Other current assets	8	85,290	78,091
<b>TOTAL CURRENT ASSETS</b>		<u>2,079,116</u>	<u>2,131,678</u>
<b>NON-CURRENT ASSETS</b>			
Financial assets	9	12,500	12,500
Property, plant and equipment	10	254,239	256,821
<b>TOTAL NON-CURRENT ASSETS</b>		<u>266,739</u>	<u>269,321</u>
<b>TOTAL ASSETS</b>		<u>2,345,855</u>	<u>2,400,999</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	1,090,460	1,290,857
Borrowings	12	118,692	64,204
Provisions	13	68,644	52,427
Other current liabilities	14	26,000	26,000
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,303,796</u>	<u>1,433,488</u>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	11	2,000	2,000
Borrowings	12	28,278	92,190
Provisions	13	12,647	10,994
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>42,925</u>	<u>105,184</u>
<b>TOTAL LIABILITIES</b>		<u>1,346,721</u>	<u>1,538,672</u>
<b>NET ASSETS</b>		<u>999,134</u>	<u>862,327</u>
<b>EQUITY</b>			
Reserves	15	2,000	2,000
Retained earnings	16	997,134	860,327
<b>TOTAL EQUITY</b>		<u>999,134</u>	<u>862,327</u>

The accompanying notes form part of these financial statements.

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2007**

	Note	Retained Earnings \$	General Reserves - Members' Debentures \$	Total \$
<b>Balance at 1 July 2005</b>		688,644	2,000	690,644
Profit attributable to members		171,683		171,683
<b>Balance at 30 June 2006</b>		<u>860,327</u>	<u>2,000</u>	<u>862,327</u>
Profit attributable to members		<u>136,807</u>		<u>136,807</u>
<b>Balance at 30 June 2007</b>		<u>997,134</u>	<u>2,000</u>	<u>999,134</u>

The accompanying notes form part of these financial statements.



**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

	Note	2007 \$	2006 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Receipts in the course of operations		2,479,525	2,696,737
Interest Received		68,760	49,876
Cash Payments in the course of operations		(2,372,751)	(2,313,964)
<b>Net cash provided by (used in) operating activities</b>	<b>18</b>	<u>175,534</u>	<u>432,649</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for Plant & Equipment		(81,413)	(112,145)
Proceeds from disposal of Plant & Equipment		10,910	37,727
<b>Net cash provided by (used in) investing activities</b>		<u>(70,503)</u>	<u>(74,418)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Hire Purchase		(9,424)	(10,889)
CMS in Trust		-	23,793
<b>Net cash provided by (used in) financing activities</b>		<u>(9,424)</u>	<u>12,904</u>
Net increase (decrease) in cash held		95,607	371,135
Cash at beginning of financial year		945,708	574,573
Cash at end of year	<b>18</b>	<u>1,041,315</u>	<u>945,708</u>

The accompanying notes form part of these financial statements.

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

Note	2007 \$	2006 \$
------	------------	------------

---

**Note 1: Statement of Significant Accounting Policies**

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

The financial report covers CIVIL CONTRACTORS FEDERATION VICTORIAN BRANCH as an individual entity.

The financial report of CIVIL CONTRACTORS FEDERATION VICTORIAN BRANCH complies with all International Financial Reporting Standards (IFRS) in their entirety.

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

**Basis of Preparation**

The accounting policies set out below have been consistently applied to all years presented.

**Reporting Basis and Conventions**

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
Note	\$	\$

---

**Accounting Policies**

**a. Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

**b. Property, Plant and Equipment**

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

**Plant and equipment**

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

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

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

**Depreciation**

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
Note	\$	\$

---

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

Class of Fixed Asset	Depreciation Rate
Leasehold Improvements	1.5 – 7.5%
Plant and equipment	2.5 – 66.67%

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

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

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

**c. Leases**

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

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

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

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**d. Financial Instruments**

**Recognition**

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
Note	\$	\$

---

**Financial assets at fair value through profit and loss**

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

**Loans and receivables**

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

**Held-to-maturity investments**

These investments have fixed maturities, and it is the group's intention to hold these investments to maturity. Any held-to-maturity investments held by the group are stated at amortised cost using the effective interest rate method.

**Available-for-sale financial assets**

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

**Financial liabilities**

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

**Fair value**

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

**Impairment**

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

**e. Impairment of Assets**

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

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
Note	\$	\$

---

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

**f. Investments in Associates**

Investments in associate companies are recognised in the financial statements by applying the equity method of accounting. The equity method of accounting recognises the entity's share of post-acquisition reserves of its associates.

**g. Employee Benefits**

Provision is made for the company'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 nominal value of the estimated future cash outflows to be made for those benefits.

**h. Provisions**

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

**i. Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

**j. Revenue**

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

**k. Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale.

The accompanying notes form part of these financial statements.

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
Note	\$	\$

---

All other borrowing costs are recognised in income in the period in which they are incurred.

**i. Financial Guarantees**

Financial guarantee contracts are measured at their fair values initially and subsequently measured at the higher of:

- the amount of obligation under the contract, as determined in accordance with AASB 137: Provisions, Contingent Liabilities and Contingent Assets; and
- the amount recognised initially less cumulative amortisation recognised in accordance with revenue recognition policies.

The fair value of financial guarantee contracts has been assessed using a probability weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting in a year period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposed if the guaranteed party were to default.

The adoption of the financial guarantee requirements has no impact on comparative information.

**m. 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

**n. Comparative Figures**

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

**o. Critical accounting estimates and judgments**

The directors 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 company.

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$	\$
<b>2 Revenue</b>		
<b>Operating activities</b>		
Interest received	68,760	49,876
Rendering of services	1,661,339	2,024,851
Other revenue	988,699	651,990
Total revenue	<u>2,718,797</u>	<u>2,726,717</u>
<b>Non-operating activities</b>		
OAMPS State End Fee	12,588	10,527
Other Revenue	<u>12,588</u>	<u>10,527</u>
<b>3 Auditor's Remuneration</b>		
Auditor's Remuneration	<u>16,040</u>	<u>10,700</u>
<b>4 Profit from Ordinary Activities</b>		
<b>Expenses</b>		
Loss on Sale of Non-current Assets	9,503	9,011
Depreciation of property, plant and equipment	7,446	70,746
Bad Debts Written Off	29,252	71,554
Doubtful Debts	916.75	(54,000)
Total bad and doubtful debts	<u>30,169</u>	<u>17,554</u>
Rental of Premises	130,073	137,307
Operating Lease Expenditure	41,804	42,876
	<u>171,877</u>	<u>180,183</u>
Salary and Benefits – Officers	120,405	124,641
Salary and Benefits – Non-Officers	820,708	859,602
	<u>941,113</u>	<u>984,243</u>
<b>Significant Revenue and Expenses</b>		
Adjustment to Doubtful Debt value at 30 June 2006	-	(54,000)
Incolink Funding	(208,600)	(129,061)
	<u>(208,600)</u>	<u>(183,061)</u>



**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$	\$
<b>5 Cash and Cash Equivalents</b>		
<b>Current</b>		
Deposit - Australia Post	4,000	4,000
Cash at Bank	100,104	106,560
Commercial Bills	937,211	835,148
	<u>1,041,315</u>	<u>945,708</u>
<b>Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Deposit - Australia Post	4,000	4,000
Cash at Bank	100,104	106,560
Commercial Bills	937,211	835,148
	<u>1,041,315</u>	<u>945,708</u>
<b>6 Trade and Other Receivables</b>		
<b>Current</b>		
Unamortised GST on Cars	12,494	12,645
Trade Debtors	922,222	1,052,948
Less: Provision for Doubtful Debts	-	-
	<u>934,716</u>	<u>1,065,593</u>
Sundry Debtors	-	29,232
	<u>934,716</u>	<u>1,094,825</u>
<b>7 Inventories</b>		
<b>Current</b>		
Publications on Hand – at cost	8,251	5,354
Cards on Hand – at cost	9,544	7,700
	<u>17,795</u>	<u>13,054</u>
<b>8 Other Current Assets</b>		
<b>Current</b>		
Borrowing Costs	665	-
Prepayments	84,625	78,091
	<u>85,290</u>	<u>78,091</u>

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$	\$
<b>9 Financial Assets</b>		
<b>Available for sale financial assets</b>		
Unlisted investments, at fair value	12,500	12,500
<b>Total available-for-sale financial assets</b>	<u>12,500</u>	<u>12,500</u>

**Property, Plant and  
10 Equipment**

<b>Motor Vehicles:</b>		
At cost	250,976	224,506
Accumulated depreciation	(84,315)	(71,040)
<b>Total motor vehicles</b>	<u>166,660</u>	<u>153,466</u>
<b>Office Furniture &amp; Equipment:</b>		
At cost	396,998	378,120
Accumulated depreciation	(309,419)	(274,765)
<b>Total office furniture &amp; equipment</b>	<u>87,579</u>	<u>103,355</u>
<b>Total property, plant and equipment</b>	<u>254,239</u>	<u>256,821</u>

**Movements in Carrying Amounts**

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

	Motor Vehicles	Office Furniture & Equipment	Total	
	\$	\$	\$	\$
Balance at the beginning of the year	153,466	103,355	256,821	
Additions	62,535	18,878	81,413	
Disposals	-36,066		(36,066)	
Depreciation Expense	-13,275	-34,654	(47,929)	
<b>Carrying amount at end of year</b>	<u>166,660</u>	<u>87,579</u>	<u>254,239</u>	

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$	\$
<b>11 Trade and Other Payables</b>		
<b>Current</b>		
CMS in Trust	76,451	62,804
Income Not Yet Earned	828,647	932,431
Fighting Fund Unexpended	0	35,738
Accounts Payable	56,123	118,027
Other Creditors	19,763	28,904
Payroll Liabilities	27,488	23,841
GST Payable	81,989	89,112
	<u>1,090,460</u>	<u>1,290,857</u>
<b>Non-Current</b>		
Debentures Not Repayable Within One Year	<u>2,000</u>	<u>2,000</u>
<b>12 Borrowings</b>		
<b>Current</b>		
Hire Purchase Liability	126,057	74,429
Less: Unexpired Hire Purchase Liability	(7,365)	(10,225)
	<u>118,692</u>	<u>64,204</u>
<b>Non-Current</b>		
Hire Purchase Liability	31,538	94,919
Less Unexpired Hire Purchase Liability	(3,260)	(2,729)
	<u>28,278</u>	<u>92,190</u>
<b>13 Provisions</b>		
Provision for Annual Leave	68,644	52,427
Provision for Long Service Leave	12,647	10,994
	<u>81,291</u>	<u>63,421</u>
<b>Total provisions</b>	<u>81,291</u>	<u>63,421</u>
<b>Analysis of Total Provisions</b>		
Current	68,644	52,427
Non-current	12,647	10,994
	<u>81,291</u>	<u>63,421</u>

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$	\$
<b>Provision for Long-term Employee Benefits</b>		
A provision has been recognised for non-current employee benefits relating to long service leave for employees.		
In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria for employee benefits has been included in Note 1.		
<b>14 Other Liabilities</b>		
<b>Current</b>		
Accrued Wages/Bonuses	<u>26,000</u>	<u>26,000</u>
<b>15 Reserves</b>		
General Reserve – Members’ Debentures	<u>2,000</u>	<u>2,000</u>
There has been no movement in the reserve during the current or preceding year.		
<b>16 Retained Earnings</b>		
Retained earnings at the beginning of the financial year	860,327	688,644
Net profit attributable to the entity	136,807	171,683
Retained earnings at the end of the financial year	<u>997,134</u>	<u>860,327</u>
<b>17 Capital and Leasing Commitments</b>		
<b>Hire Purchase Commitments</b>		
Payable - minimum Hire Purchase payments		
Not later than 12 months	126,057	74,429
Later than 12 Months but not later than 2 years	11,893	94,919
Later than 2 years but not later than 5 years	19,645	-
Minimum Hire Purchase payments	<u>157,596</u>	<u>169,348</u>
Less future finance charges	(10,625)	(12,954)
Present value of minimum lease payments	<u>146,970</u>	<u>156,394</u>

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$	\$
<b>Operating Lease Commitments</b>		
Payable - minimum Operating Lease payments		
Not later than 12 months	173,635	116,679
Later than 12 Months but not later than 2 years	45,001	112,935
Later than 2 years but not later than 5 years	80,816	130,533
Minimum Operating Lease payments	299,452	360,147

**18 Cash Flow Information**

**Reconciliation of cash**

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Commonwealth Cheque Account	100,104	105,861
Commonwealth Cheque Account (Training Fund)	-	699
Cash at Bank	250,000	-
Commercial Bill	113,316	80,679
Commercial Bill	573,895	754,469
Cash on Deposit	4,000	4,000
	1,041,315	945,708

**Reconciliation of net cash provided by operating activities to profit after income tax**

Profit from Ordinary Activities after income tax	136,807	171,683
Add / (Less):		
Non Cash Flows in Profit from Ordinary Activities:		
- Depreciation	65,035	70,746
- Loss on Sale of Plant & Equipment	8,050	9,011
- Doubtful Debts Written Back	-	(54,000)
	209,892	197,440
Changes in Operating Assets and Liabilities		
- (Increase)/Decrease in Trade Debtors	160,109	170,558
- (Increase)/Decrease in Inventory	(4,741)	13,665
- (Increase)/Decrease in Prepayments	(6,534)	(13,588)
- (Increase)/Decrease in Other Receivables	(666)	(26,974)
- Increase/(Decrease) in Payables	(200,396)	85,708
- Increase/(Decrease) in Employee Entitlements	17,870	5,840
	175,534	432,649

**Net cash provided by operating activities**

The Federation currently has no credit standby or financing facilities in place. There were no non-cash financing or investing activities during the period.

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

2007  
\$

2006  
\$

**19 Financial Instruments**

**Financial Risk Management**

The entity's financial instruments consists primarily of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from subsidiaries, bills and leases.

The entity does not have any derivative instruments at 30 June 2007.

	Average Effective Interest Rate %	Floating Interest Rate \$	Fixed Interest Rate Maturing		Non Interest Bearing \$	Total \$
			Within 1 Year \$	1 to 5 Years \$		
<b>Financial Assets</b>						
Cash and cash equivalents	5.44%	104,104	937,211	-	-	1,041,315
<b>Total Financial Assets</b>		217,420	823,895	-	-	1,041,315
<b>Financial Liabilities</b>						
Bank overdraft secured		-	-	-	-	-
<b>Total Financial Liabilities</b>		-	-	-	-	-

**Net Fair Values**

The net fair values of listed investments have been valued at the quoted market bid price at balance date and adjusted for transaction costs expected to be incurred. For other assets and other liabilities, the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the entity intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006	
	\$	\$	
<b>Financial Instruments</b>			
Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date:			
	<b>2007</b>	<b>2006</b>	
	Carrying Amount	Carrying Amount	Net Fair Value
	\$	\$	\$
<b>Financial Assets</b>			
Cash and cash equivalents	1,041,315	945,708	945,708
<b>Total Financial Assets</b>	1,041,315	945,708	945,708
<b>Financial Liabilities</b>			
Bank overdraft secured	-	-	-
<b>Total Financial Liabilities</b>	-	-	-

**20 RELATED PARTY TRANSACTIONS**

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

The ultimate parent entity is the Civil Contractors Federation, of which this reporting entity is the Victorian Branch.

Other related parties are other state branches of the Civil Contractors Federation.

**Transactions with related**

**Income**

Interstate Branches	97,884	78,026
---------------------	--------	--------

**Expenses**

Affiliation – National CCF	81,203	85,563
Insurance	7,824	12,960
CMS Expenses	15,985	11,096
	105,012	109,619

As at 30 June 2007 the balances receivable from related parties are as follows:

CCF – NSW Branch	7,960	1,122
CCF – National Office	-	910
CCF - NT Branch	2,652	-
CCF – SA Branch	160	-
CCF – WA Branch	-	383
CCF – Qld Branch	-	50
CCF – Tas Branch	397	821

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

2007                      2006  
\$                              \$

**21 Change in Accounting Policy**

The entity has adopted the following accounting standards that apply on or after 1 January 2005:

- AASB 132: Financial Instruments: Disclosure and Presentation
- AASB 139: Financial Instruments: Recognition and Measurement

The resulting changes from the adoption of AASB 132 relate primarily to increased disclosures required under the standard. These changes do not affect the value of amounts reported in the financial statements.

The adoption of AASB 139 has resulted in material differences in the recognition and measurement of the entity's financial instruments. The entity has elected not to adjust comparable information resulting from the introduction of AASB 139 as permitted under the transitional provisions of this standard. As such, previous Australian accounting standards have been applied to comparable information. A summary of the main adjustments that would have resulted is included below, were AASB 139 to have been applied retrospectively.

**Available-for-sale financial assets**

Under AASB 139, available-for-sale financial assets have been revalued to fair value at reporting date. All adjustments resulting from changes in fair value have been taken directly to equity. Were AASB 139 to have been applied retrospectively, a number of financial assets reflected at cost in the comparative year would have been adjusted to fair value at 30 June 2005. This would have resulted in an increased carrying value attributable to financial assets at 30 June 2005, and a corresponding increase in reserves at that date.

The aggregate effect of the change in accounting policy on the annual financial statements for the year ended 30 June 2007 is as follows:

	2007			2006		
	Previously stated \$	Adjustments \$	Restated \$	Previously stated \$	Adjustments \$	Restated \$
<b>Balance Sheet</b>						
Financial Assets (current & non-current)	1,401,315	-	1,401,315	945,708	-	945,708
Financial asset revaluation reserve	-	-	-	-	-	-
Deferred tax liability	-	-	-	-	-	-

The following Australian Accounting Standards issued or amended which are applicable to the entity but are not yet effective and have not been adopted in preparation of the financial statements at reporting date.



**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

AASB amendment	Standards affected	Outline of Amendment	2007 \$	2006 \$
			Application Date of Standard	Application Date for Entity
AASB 2005-10	AASB 1: First-time Adoption of AIFRS AASB 4: Insurance Contracts	The disclosure requirements of AASB 132: Financial Instruments: Disclosure and Presentation have been replaced due to the issuing of AASB 7:	1 January 2007	1 July 2007
2005-06	AASB 101: Presentation of Financial Statements	Financial Instruments: Disclosures in August 2005. These amendments will involve changes to financial instrument disclosures within the financial report. However, there will be no direct impact on amounts included in the financial report as it is a disclosure standard.		
2005-10	AASB 114: Segment Reporting AASB 17: Leases AASB 133: Earnings per Share AASB 139: Financial Instruments: Recognition and Measurement AASB 1023: General Insurance Contracts AASB 1038: Life Insurance Contracts			
AASB 7	AASB 132: Financial Instruments: Disclosure and Presentation	As Above	1 January 2007	1 July 2007

## 22 Entity Details

The principal place of business of the entity is:

Level 2, 192B Burwood Road, Hawthorn Victoria 3122

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**Scope**

**The Financial Report and Committee's Responsibility**

The financial report comprises the income statement, balance sheet, cashflow statement, statement of changes in equity, accompanying notes to the financial statements, and the statement by members of the committee for CIVIL CONTRACTORS FEDERATION VICTORIAN BRANCH, for the year ended 30 June 2007.

The committee of the federation is responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. 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**

I conducted an independent audit in order to express an opinion to the members of the federation. My 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 judgement, 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.

I performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the federation's financial position, and of its performance as represented by the results of its operations and cash flows.

I formed my 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 policies and disclosures used and the reasonableness of significant accounting estimates made by the committee.

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

**Independence**

In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements.

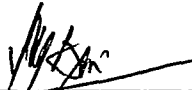


**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156**

**Audit Opinion**

In my opinion the general purpose financial report of CIVIL CONTRACTORS FEDERATION VICTORIAN BRANCH presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia, and the requirements of the RAO schedule.

**Name of Firm:** Alan M. Bliss  
Chartered Accountant  
Registered Company Auditor

  
\_\_\_\_\_  
Alan M. Bliss

**Address:** 74 Fletcher Street  
Essendon Vic 3040

**Dated this** 23<sup>rd</sup> day of August 2007