



FAIR WORK  
AUSTRALIA

7 December 2009

Mr Ian Sowerby  
President  
Civil Contractors Federation, Victorian Branch

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

Dear Mr Sowerby

**Re: Financial Report for the Civil Contractors Federation, Victorian Branch for year ended 30 June 2009 – FR2009/10004**

I acknowledge receipt of the financial report for the Civil Contractors Federation, Victorian Branch for the year ended 30 June 2009, correspondence dated 12 November 2009 regarding the profit and loss statement and a revised Audit Report received on 2 December 2009. The report was lodged with Fair Work Australia on 17 September 2009.

The financial report has been filed.

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

### **Operating Report**

#### *Trustee of superannuation entity*

Subsection 254(2)(d) of the *Fair Work (Registered Organisations) Act 2009* (the Act) requires details of any *officer or member* of the reporting unit who is a trustee, or a director of a company that is a trustee, of a superannuation entity or an exempt public sector superannuation scheme to be provided in the operating report “*where a 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 the s254(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.”*

#### *Results of principal activities*

I refer to the Operating Report, in particular to the “results of operation”. I note that s254(2)(a) of the Act requires the operating report to include a review of the principal activities of the reporting entity, the results of those activities and any significant changes in the nature of those activities.

The “results of operation” requirement contemplates reference in the operating report to results directly related to the principal activities as opposed to the reporting entities financial result, particularly as measured in dollar ‘surplus’ or ‘loss’ terms. Although this may not be stated explicitly in the text of the subsection, I think it is reasonable to infer this is what the legislators had in mind given that the subsection is referring primarily to the principal activities and secondly, the actual financial outcome is elaborated elsewhere in the financial documents, such as the Balance Sheet and/or the Profit and Loss statement.

**Committee of Management statement***Recovery of Wages Activity*

Please note there is no requirement for the Civil Contractors Federation to report on recovery of wages activity.

*Donations, Grants or Loans*

I note that donations totalling \$9300 were made in 2008-9. Under subsection 237(1) of the Act there are certain steps that need to be taken if an individual donation exceeds \$1000.

As no subsection 237(1) statement has been lodged we assume that no single donation exceeded \$1000. Should this not be the case, please immediately advise Fair Work Australia of the details and ensure that there is compliance with the reporting requirements of section 237, other than with respect to the required timeframe. I have included a link to a sample statement of loans, grants and donations

[http://www.fwa.gov.au/documents/organisations/factsheets/RO\\_sampledoc\\_3.doc](http://www.fwa.gov.au/documents/organisations/factsheets/RO_sampledoc_3.doc) which the Branch may wish to use.

**References to Schedule 1B**

The Designated Officer's Certificate contains reference to Schedule 1B of the *Workplace Relations Act 1996*. This reference should have been to the *Fair Work (Registered Organisations) Act 2009* for Designated Officer's Certificates prepared after 1 July 2009.

**Notice for Future Reports**

It should be noted that the General Manager attaches importance to reporting units both fully satisfying the obligations under the Act and to those obligations being discharged within the requisite timeframes. You should ensure that future financial returns fully satisfy the above obligations.

In the event the documents submitted do not fully comply with the legislative requirements in the Act then the report will not be filed and the reporting unit will be required to repeat these aspects that do not comply.

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

Yours sincerely



Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

Email: [kevin.donnellan@fwa.gov.au](mailto:kevin.donnellan@fwa.gov.au)



# STANNARDS

Accountants and Advisors

*Partners*

Marino Angelini. CA  
 Michael Shulman. CA  
 Nello Traficante. CPA  
 Jason Wall. CA

*Associate*

Nicole Postan. CA

**Independent Auditors' Report  
 To The Members of The Civil Contractors Federation –  
 Victorian Branch**

## SCOPE

### **The Financial report and Committee of Management's responsibility**

The financial report comprises the income statement, balance sheet, statement of changes in equity, statement of cash flows, and accompanying notes to the financial statements (including the detailed profit and loss statement) for the year ended 30 June 2009.

The Committee of Management's is responsible for the preparation and true and fair presentation of the financial report in accordance with the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of 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**

We have audited the financial statements of the Civil Contractors Federation – Victorian Branch (CCF).

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the accounts are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with the Workplace Relations Act 1996 and other mandatory professional reporting requirements so as to present a view which is consistent with our understanding of the CCF's financial position and the results of its operations.

The audit opinion expressed in this report has been formed on the above basis.

## INDEPENDENCE

In accordance with the Corporations Act 2001, we declare that to the best of our knowledge and belief, that the auditor's independence requirements of that Act have been satisfied throughout the financial year and up to the date of providing our audit opinion.





**Independent Auditors' Report  
To The Members of The Civil Contractors Federation –  
Victorian Branch (Cont'd)**

**AUDIT OPINION**

In our opinion;—

- i) there were kept by the CCF in respect of the year satisfactory accounting records detailing the sources and nature of the income (including income from members) and the nature and purposes of the expenditure of the CCF;
- ii) the general purpose financial report is prepared under the historical cost convention and is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996. The financial report is properly drawn up so as to give a true and fair view of:
  - a) the financial affairs of the CCF as at 30 June, 2009;
  - b) the income and expenditure and net result of the CCF for the period ended on that date; and
- iii) in relation to recovery of wages activity, there has been no recovery of wages activity during the year .

M Shulman  
Partner (Chartered Accountant)  
Holder of Current Public Practice Certificate  
Company Auditor 163388

Dated: 7-5-10/09

Melbourne, Victoria

**DONNELLAN, Kevin**

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**From:** DONNELLAN, Kevin  
**Sent:** Friday, 27 November 2009 2:29 PM  
**To:** 'G Shillinglaw'  
**Subject:** RE: Financial Statements 2008/09

Hello Gaye, further to the attached email, if the profit and loss statement (appearing at page 24 of the financial report) was audited could you obtain from the Auditor a revised report including a reference to the profit and loss statement in the scope paragraph of the audit report. Regards Kevin

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**From:** G Shillinglaw [mailto:gshillinglaw@civilcontractors.com]  
**Sent:** Thursday, 12 November 2009 9:22 AM  
**To:** DONNELLAN, Kevin  
**Subject:** Financial Statements 2008/09

Good Morning Kevin,

Yes, it was audited by our Auditors, Stannards Accountants and Auditors (contact Michael Shulman).

Regards,

***Gaye Shillinglaw***

General Manager - Finance & Governance  
Civil Contractors Federation

PO Box 6165, HAWTHORN VIC 3122  
192B Burwood Road, HAWTHORN VIC 3122

Phone: (03) 8862 7303

Fax: (03) 9819 6098

Mobile: 0416 031 061

Email: [gshillinglaw@civilcontractors.com](mailto:gshillinglaw@civilcontractors.com)

Visit CCF: [www.civilcontractors.com](http://www.civilcontractors.com)

**DONNELLAN, Kevin**

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**From:** DONNELLAN, Kevin

**Sent:** Wednesday, 11 November 2009 4:41 PM

**To:** 'ccfvic@civilcontractors.com'

**Subject:** FR2009/10004 - Financial year ended 30 June 2009 - Civil Contractors Federation, Victorian Branch

Dear Gaye, the above financial report contained a "Profit and Loss statement for the period ended 30 June 2009" which was situated after the Independent Auditors' Report on page 24. Could you indicate if this profit and loss statement was audited as the General Manager's Reporting Guidelines requires that certain disclosures such as donations 11(f) or legal costs (j) must be disclosed in the notes to the financial statements unless disclosed on the face of the profit and loss statement.

Regards

**KEVIN DONNELLAN**

Tribunal Services and Organisations

**Fair Work Australia**

Tel: 03-8661 7764

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# 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 1B Workplace Relations Act 1996

I **Ian Sowerby**, 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 26<sup>th</sup> August 2009; and
- that the full report was presented to the Annual General Meeting of the reporting unit on 17<sup>th</sup> September 2009; in accordance with section 266 of the RAO Schedule.

Signature

A handwritten signature in black ink, appearing to be 'I. Sowerby'.

Date: 18th September 2009

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

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2009**



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

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**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 2009.

**Committee of Management Members**

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

Ian Sowerby	President & Alternate Board Member (National)
Gary Gardiner	Vice President
Marcus Sill	Treasurer
Nathan Blackledge	National Board Member & Board Member

Andrew Mahar  
Andrew Simpson  
Graeme Chambers  
John Lander  
John Plumridge  
Ray de Jong  
Robin Hicks  
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 of \$141,596 (2008: \$44,638).

For the 2009 year, the Branch generated operating cash inflows of \$340,243, whilst it had expended some \$90,545 on financing and investing activities. Its cash balances during the year increased from \$1,148,104 to \$1,397,802 as a result of its activities during the year. As at reporting date, it has a working capital surplus of \$1,017,417 (2008: \$889,255).

**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 509. The number of persons who were, at the end of the year, employees of the Victorian Branch of the Federation was 14.5 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:

**Rule 9 – RESIGNATION OF MEMBERS**

- (a) A Member may resign from the Federation by written notice addressed and delivered to the Chief Executive Officer.
- (b) A notice of resignation from membership of the Federation takes effect:
  - (i) At the end of two weeks after the notice is received by the Federation; or
  - (ii) On the day specified in the notice;whichever is later.
- (c) Any dues payable but not paid by a former Member of the Federation in relation to a period before the Member's resignation from the Federation took effect, may be sued for and recovered in the name of the Federation, in a court of competent jurisdiction, as a debt due to the Federation.
- (d) A notice delivered to the person mentioned in sub-rule (1) shall be taken to have been received by the Federation when it was delivered.
- (e) A notice of resignation that has been received by the Federation is not 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: 25/8/09

**CIVIL CONTRACTORS FEDERATION**  
**VICTORIAN BRANCH**  
**ABN: 97 341 352 156**  
**COMMITTEE OF MANAGEMENT STATEMENT**

On 25th August 2009, 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 2009:

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
  - (vi) no orders have been made by the Commission under section 273 of the RAO Schedule; and
  - (vii) in relation to recovery of wage activity, there has been no recovery of wage activity during the year.

For Committee of Management:

Title of Office held: PRESIDENT, VICTORIAN BRANCH

Signature:

  
\_\_\_\_\_  
IAN SOWERBY

Date: 25<sup>th</sup> August 2009

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156  
INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
Revenue	2	<u>3,313,486</u> <u>3,313,486</u>	<u>2,977,862</u> <u>2,977,862</u>
Accountancy expenses		(20,025)	(23,680)
Auditors' remuneration	3	(12,400)	(12,584)
Bad and doubtful debt expenses	4	(2,953)	(8,146)
Depreciation and amortisation expenses	4	(65,530)	(56,409)
Employee benefits expenses	4	(1,168,930)	(1,051,179)
Other expenses		<u>(1,902,052)</u>	<u>(1,781,226)</u>
<b>Profit before income tax</b>		<u>141,596</u>	<u>44,638</u>
Retained earnings at the beginning of the financial year		1,041,772	997,134
<b>Retained earnings at the end of the financial year</b>		<u><u>1,183,368</u></u>	<u><u>1,041,772</u></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 2009**

	Note	2009 \$	2008 \$
<b>Current Assets</b>			
Cash and cash equivalents	5	1,397,802	1,148,104
Trade and other receivables	6	1,030,126	1,174,033
Inventories	7	16,030	9,325
Other current assets	8	63,363	55,998
<b>Total Current Assets</b>		<u>2,507,321</u>	<u>2,387,460</u>
<b>Non-Current Assets</b>			
Financial assets	9	12,500	12,500
Property, plant and equipment	10	270,412	282,794
<b>Total Non-Current Assets</b>		<u>282,912</u>	<u>295,294</u>
<b>Total Assets</b>		<u>2,790,233</u>	<u>2,682,754</u>
<b>Current Liabilities</b>			
Trade and other payables	11	1,311,548	1,312,080
Borrowings	12	82,449	69,131
Provisions	13	88,977	80,036
Other current liabilities	14	6,930	36,958
<b>Total Current Liabilities</b>		<u>1,489,904</u>	<u>1,498,205</u>
<b>Non-Current Liabilities</b>			
Trade and other payables	11	2,000	2,000
Borrowings	12	70,347	107,434
Provisions	13	42,614	31,343
<b>Total Non-Current Liabilities</b>		<u>114,961</u>	<u>140,777</u>
<b>Total Liabilities</b>		<u>1,604,865</u>	<u>1,638,982</u>
<b>Net Assets</b>		<u>1,185,368</u>	<u>1,043,772</u>
<b>Equity</b>			
Reserves	15	2,000	2,000
Retained earnings	16	1,183,368	1,041,772
<b>Total Equity</b>		<u>1,185,368</u>	<u>1,043,772</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 2009**

	<b>Retained Earnings</b>	<b>General Reserves - Members' Debentures</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2007</b>	997,134	2,000	999,134
Profit attributable to members	<u>44,638</u>	<u>-</u>	<u>44,638</u>
<b>Balance at 30 June 2008</b>	<u>1,041,772</u>	<u>2,000</u>	<u>1,043,772</u>
Profit attributable to members	<u>141,596</u>	<u>-</u>	<u>141,596</u>
<b>Balance at 30 June 2009</b>	<u><u>1,183,368</u></u>	<u><u>2,000</u></u>	<u><u>1,185,368</u></u>

The accompanying notes form part of these financial statements.

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156  
CASHFLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>Cash Flows From Operating Activities</b>			
Cash Receipts in the course of operations		3,365,603	2,658,070
Interest Received		91,790	80,475
Cash Payments in the course of operations		<u>(3,117,150)</u>	<u>(2,560,374)</u>
<b>Net cash provided by (used in) operating activities</b>	<b>18</b>	<u><u>340,243</u></u>	<u><u>178,171</u></u>
<b>Cash Flows from Investing Activities</b>			
Payment for Plant & Equipment		(12,879)	(35,648)
Proceeds from disposal of Plant & Equipment		40,726	98,722
<b>Net cash provided by (used in) investing activities</b>		<u><u>27,847</u></u>	<u><u>63,074</u></u>
<b>Cash Flows from Financing Activities</b>			
Hire Purchase		(118,392)	(134,456)
<b>Net cash provided by (used in) financing activities</b>		<u><u>(118,392)</u></u>	<u><u>(134,456)</u></u>
Net increase (decrease) in cash held		249,698	106,789
Cash at beginning of financial year		1,148,104	1,041,315
<b>Cash at end of year</b>	<b>5</b>	<u><u><u>1,397,802</u></u></u>	<u><u><u>1,148,104</u></u></u>

The accompanying notes form part of these financial statements.



**CIVIL CONTRACTORS FEDERATION**  
**VICTORIAN BRANCH**  
**ABN: 97 341 352 156**  
**NOTES TO THE FINANCIAL STATEMENTS**

**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 in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**Reporting Basis and Conventions**

The financial report has been prepared on an accruals basis and is based on historical costs 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**  
**NOTES TO THE FINANCIAL STATEMENTS**

**Accounting Policies**

**a. Inventories**

Inventories are measured at the lower of cost and net realisable value. 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**

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.

**Depreciation**

The depreciable amount of all fixed assets including buildings 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.

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

Class of Fixed Asset	Depreciation Rate
Motor Vehicles	18.75%
Plant and equipment	1.5 – 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 are transferred to the entity, 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 asset 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.

**CIVIL CONTRACTORS FEDERATION**  
**VICTORIAN BRANCH**  
**ABN: 97 341 352 156**  
**NOTES TO THE FINANCIAL STATEMENTS**

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity 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.

**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 entity's intention to hold these investments to maturity. Any held-to-maturity investments 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.

**CIVIL CONTRACTORS FEDERATION**  
**VICTORIAN BRANCH**  
**ABN: 97 341 352 156**  
**NOTES TO THE FINANCIAL STATEMENTS**

**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.

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

**f. Employee Benefits**

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

**g. Provisions**

Provisions are recognised when the entity 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.

**h. 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.

**i. 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.

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).

**CIVIL CONTRACTORS FEDERATION**  
**VICTORIAN BRANCH**  
**ABN: 97 341 352 156**  
**NOTES TO THE FINANCIAL STATEMENTS**

**j. 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.

**k. Comparative Figures**

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

**l. 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 entity.

**m. Reporting Unit/Information to members or Registrar**

In accordance with the requirements for the Workplace Relations Act 1996, as amended, the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of 272 of the RAO schedule which reads as follows:

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

**CIVIL CONTRACTORS FEDERATION  
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NOTES TO THE FINANCIAL STATEMENTS**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>2 Revenue</b>		
<b>Operating activities</b>		
Interest received	91,790	83,475
Rendering of services	1,961,280	1,847,700
Other revenue	1,260,416	1,046,687
Total revenue	<u>3,313,486</u>	<u>2,977,862</u>
<b>3 Auditor's Remuneration</b>		
Auditor's Remuneration	<u>12,400</u>	<u>12,584</u>
<b>4 Profit from Ordinary Activities</b>		
<b>Expenses</b>		
Loss on Sale of Non-current Assets	13,628	26,970
Depreciation of property, plant and equipment	65,530	56,409
Bad Debts Written Off	2,953	8,146
Doubtful Debts	-	-
Total bad and doubtful debts	<u>2,953</u>	<u>8,146</u>
Rental of Premises	123,744	117,269
Operating Lease Expenditure	21,571	20,015
	<u>145,315</u>	<u>137,284</u>
Salary and Benefits – Officers	138,534	134,487
Salary and Benefits – Non-Officers	1,030,396	916,692
	<u>1,168,930</u>	<u>1,051,179</u>
<b>Significant Revenue</b>		
Incolink Funding	441,852	330,438
	<u>441,852</u>	<u>330,438</u>

**CIVIL CONTRACTORS FEDERATION  
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NOTES TO THE FINANCIAL STATEMENTS**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>5 Cash and Cash Equivalents</b>		
<b>Current</b>		
Deposit	4,000	4,000
Cash at Bank	149,985	56,082
Commercial Bills	1,243,817	1,088,023
	<u>1,397,802</u>	<u>1,148,104</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 set out above.		
<b>6 Trade and Other Receivables</b>		
<b>Current</b>		
Unamortised GST on Cars	13,632	15,722
Trade Debtors	1,014,179	1,158,311
Sundry Debtors	2,315	-
	<u>1,030,126</u>	<u>1,174,033</u>
<b>7 Inventories</b>		
<b>Current</b>		
Publications on Hand – at cost	10,147	5,268
Cards on Hand – at cost	5,883	4,057
	<u>16,030</u>	<u>9,325</u>
<b>8 Other Current Assets</b>		
<b>Current</b>		
Borrowing Costs	1,191	892
Prepayments	62,172	55,106
	<u>63,363</u>	<u>55,998</u>

**CIVIL CONTRACTORS FEDERATION  
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NOTES TO THE FINANCIAL STATEMENTS**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<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>
<b>Property, Plant and</b>		
<b>10 Equipment</b>		
<b>Motor Vehicles:</b>		
At cost	229,023	210,021
Accumulated depreciation	(47,930)	(30,143)
<b>Total motor vehicles</b>	<u>181,093</u>	<u>179,878</u>
<b>Office Furniture &amp; Equipment:</b>		
At cost	445,708	432,829
Accumulated depreciation	(356,389)	(329,913)
<b>Total office furniture &amp; equipment</b>	<u>89,319</u>	<u>102,916</u>
<b>Total property, plant and equipment</b>	<u>270,412</u>	<u>282,794</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	179,878	102,916	282,794
Additions	94,623	12,879	107,502
Disposals	(54,354)	-	(54,354)
Depreciation Expense	(39,054)	(26,476)	(65,530)
<b>Carrying amount at end of year</b>	<u>181,093</u>	<u>89,319</u>	<u>270,412</u>



**CIVIL CONTRACTORS FEDERATION  
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NOTES TO THE FINANCIAL STATEMENTS**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>11 Trade and Other Payables</b>		
<b>Current</b>		
CMS in Trust	38,516	64,570
Income Not Yet Earned	1,001,183	993,479
Accounts Payable	125,765	118,460
Other Creditors	18,923	32,720
Payroll Liabilities	27,147	12,259
GST Payable	100,014	90,592
	<u>1,311,548</u>	<u>1,312,080</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	93,998	83,298
Less: Unexpired Hire Purchase Liability	(11,549)	(14,167)
	<u>82,449</u>	<u>69,131</u>
<b>Non-Current</b>		
Hire Purchase Liability	73,424	111,883
Less Unexpired Hire Purchase Liability	(3,077)	(4,449)
	<u>70,347</u>	<u>107,434</u>
<b>13 Provisions</b>		
Provision for Annual Leave	88,977	80,036
Provision for Long Service Leave	42,614	31,343
<b>Total provisions</b>	<u>131,591</u>	<u>111,379</u>
<b>Analysis of Total Provisions</b>		
Current	88,977	80,036
Non-current	42,614	31,343
	<u>131,591</u>	<u>111,379</u>

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
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NOTES TO THE FINANCIAL STATEMENTS**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>14 Other Liabilities</b>		
<b>Current</b>		
Accrued Wages/Bonuses	-	33,300
Accrued Expenses	6,930	3,658
	<u>6,930</u>	<u>36,958</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	1,041,772	997,134
Net profit attributable to the entity	141,596	44,638
Retained earnings at the end of the financial year	<u>1,183,368</u>	<u>1,041,772</u>
<b>17 Capital and Leasing Commitments</b>		
<b>Hire Purchase Commitments</b>		
Payable - minimum Hire Purchase payments		
Not later than 12 months	93,999	83,298
Later than 12 Months but not later than 2 years	73,424	91,584
Later than 2 years but not later than 5 years	-	20,299
Minimum Hire Purchase payments	<u>167,423</u>	<u>195,181</u>
Less future finance charges	(14,627)	(18,616)
Present value of minimum lease payments	<u>152,796</u>	<u>176,565</u>

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
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NOTES TO THE FINANCIAL STATEMENTS**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>17 Capital and Leasing Commitments (Continued)</b>		
<b>Operating Lease Commitments</b>		
Payable - minimum Operating Lease payments		
Not later than 12 months	161,857	175,611
Later than 12 Months but not later than 2 years	161,857	175,611
Later than 2 years but not later than 5 years	10,652	50,214
Minimum Operating Lease payments	<u>334,366</u>	<u>401,436</u>
<b>18 Cash Flow Information</b>		
<b>Reconciliation of net cash provided by operating activities to profit after income tax</b>		
Profit from Ordinary Activities after income tax	141,596	44,638
Add / (Less):		
Non Cash Flows in Profit from Ordinary Activities:		
- Depreciation	65,530	56,409
- Loss on Sale of Plant & Equipment	13,628	26,970
	<u>220,754</u>	<u>128,017</u>
Changes in Operating Assets and Liabilities		
- (Increase)/Decrease in Trade Debtors	144,132	(239,317)
- (Increase)/Decrease in Inventory	(6,705)	8,470
- (Increase)/Decrease in Prepayments	(7,066)	29,519
- (Increase)/Decrease in Other Receivables	(524)	(227)
- Increase/(Decrease) in Payables	(560)	221,621
- Increase/(Decrease) in Other Liabilities	(30,000)	-
- Increase/(Decrease) in Employee Entitlements	20,212	30,088
<b>Net cash provided by operating activities</b>	<u>340,243</u>	<u>178,171</u>

The entity currently has no credit standby or financing facilities in place.

There were no non-cash financing or investing activities during the period except for the hire purchase of \$94,623 of motor vehicles

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156  
NOTES TO THE FINANCIAL STATEMENTS**

**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, bills and leases.

The entity does not have any derivative instruments at 30 June 2009.

	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	5.70%	149,985	1,247,817	-	-	1,397,802
<b>Total Financial Assets</b>		<u>149,985</u>	<u>1,247,817</u>	-	-	<u>1,397,802</u>
<b>Financial Liabilities</b>						
Bank overdraft secured		-	-	-	-	-
<b>Total Financial Liabilities</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**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 in organised markets in standardised form other than listed investments.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities which approximate each other 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**

**19 Financial Instruments (Continued)**

**Financial Instruments**

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date:

	2009		2008	
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
	\$	\$	\$	\$
<b>Financial Assets</b>				
Cash and cash equivalents	1,397,802	1,397,802	1,148,104	1,148,104
<b>Total Financial Assets</b>	<u>1,397,802</u>	<u>1,397,802</u>	<u>1,148,104</u>	<u>1,148,104</u>
<b>Financial Liabilities</b>				
Bank overdraft secured	-	-	-	-
<b>Total Financial Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

A 2% change in interest rates would change profit before tax by \$29,956

**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	<u>125,567</u>	<u>126,736</u>
<b>Expenses</b>		
Affiliation – National CCF	84,693	72,560
Insurance	5,113	7,824
CMS Expenses	<u>39,325</u>	<u>34,011</u>
	<u>129,131</u>	<u>114,395</u>

As at 30 June 2009 the balances receivable from related parties are as follows:

CCF – NSW Branch	5,716	369
CCF – SA Branch	11,095	1,710
CCF – WA Branch	1,100	-
CCF – Qld Branch	-	67
CCF – Tas Branch	1,936	1,240

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156  
NOTES TO THE FINANCIAL STATEMENTS**

**21 Entity Details**

The principal place of business of the entity is:

Level 2, 192B Burwood Road,  
Hawthorn Victoria 3122

The principal segment is member services within Australia.

The entity is domiciled in Australia.



# STANNARDS

Accountants and Advisors

*Partners*

Marino Angelini, CA  
Michael Shulman, CA  
Nello Traficante, CPA  
Jason Wall, CA

*Associate*

Nicole Postan, CA

**Independent Auditors' Report  
To The Members of The Civil Contractors Federation –  
Victorian Branch**

## **SCOPE**

### **The Financial report and Committee of Management's responsibility**

The financial report comprises the income statement, balance sheet, statement of changes in equity, statement of cash flows, and accompanying notes to the financial statements for the year ended 30 June 2009.

The Committee of Management's is responsible for the preparation and true and fair presentation of the financial report in accordance with the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of 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**

We have audited the financial statements of the Civil Contractors Federation – Victorian Branch (CCF).

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the accounts are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with the Workplace Relations Act 1996 and other mandatory professional reporting requirements so as to present a view which is consistent with our understanding of the CCF's financial position and the results of its operations.

The audit opinion expressed in this report has been formed on the above basis.

## **INDEPENDENCE**

In accordance with the Corporations Act 2001, we declare that to the best of our knowledge and belief, that the auditor's independence requirements of that Act have been satisfied throughout the financial year and up to the date of providing our audit opinion.





**Independent Auditors' Report  
To The Members of The Civil Contractors Federation –  
Victorian Branch (Cont'd)**

**AUDIT OPINION**

In our opinion:–

- i) there were kept by the CCF in respect of the year satisfactory accounting records detailing the sources and nature of the income (including income from members) and the nature and purposes of the expenditure of the CCF;
- ii) the general purpose financial report is prepared under the historical cost convention and is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996. The financial report is properly drawn up so as to give a true and fair view of:
  - a) the financial affairs of the CCF as at 30 June, 2009;
  - b) the income and expenditure and net result of the CCF for the period ended on that date; and
- iii) in relation to recovery of wages activity, there has been no recovery of wages activity during the year .

*Shulman*

M Shulman  
Partner (Chartered Accountant)  
Holder of Current Public Practice Certificate  
Company Auditor 163388

Dated: 25/6/09

Melbourne, Victoria



**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156  
PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
<b>INCOME</b>		
Membership Contributions	971,432	856,436
Publications	57,281	75,254
Training Fees	932,567	916,010
	<u>1,961,280</u>	<u>1,847,700</u>
<b>OTHER INCOME</b>		
Interest Received	91,790	83,475
Meetings & Social Functions	467,833	343,799
Incolink	441,852	330,438
Sundry Income	87,300	74,302
CMS Income	263,431	298,148
	<u>1,352,206</u>	<u>1,130,162</u>
	<u><b>3,313,486</b></u>	<u><b>2,977,862</b></u>
<b>EXPENSES</b>		
Accountancy Fees	20,025	23,680
Affiliation & CEO meetings - National C.C.F.	91,013	83,107
Auditor's Remuneration	12,400	12,584
Bad Debts Written Off	2,953	8,146
Bank Charges	12,717	9,932
CMS	87,465	70,530
Computer Web Site	9,899	8,760
Depreciation	65,530	56,409
Donations	9,300	3,069
Hire Purchase Charges	16,114	23,477
Legal & Professional Costs	40,878	39,196
Loss on Sale of Non-current Assets	13,628	26,970
Meetings, Seminars & Functions	357,540	354,477
Motor Vehicle Expenses	63,500	46,557
Other Administrative Costs	552,382	526,390
Payroll Tax	60,208	52,397
Provision for Annual Leave	8,940	11,392
Provision for Long Service Leave	11,271	18,696
Publications	17,967	15,920
Regional Support Expenditure	5,468	6,835
Salaries & Benefits - Officers	138,534	134,487
Salaries & Benefits - Non Officers	1,030,396	916,692
Scholarship	2,375	2,500
Special Projects and Advocacy	206,966	67,371
Subscriptions	4,599	5,182
Training Expenditure	272,054	362,897
Travelling & Accommodation	18,443	11,558
Victorian Prequal	39,325	34,013
	<u>3,171,890</u>	<u>2,933,224</u>
<b>Profit before income tax</b>	<u><b>141,596</b></u>	<u><b>44,638</b></u>