



29 November 2013

Mr Andrew Mahar  
President  
Civil Contractors Federation, Victorian Branch  
Level 1/322 Glenferrie Road  
MALVERN VIC 3144

Dear Mr Mahar,

**Civil Contractors Federation Victorian Branch Financial Report for the year ended 30 June 2012 - [FR2012/312]**

I acknowledge receipt of the financial report of the Civil Contractors Federation Victorian Branch (the reporting unit). The documents were lodged with Fair Work Commission (FWC) on 25 January 2013.

The financial report has now been filed. This financial report was filed based on a preliminary review. Please note that the reporting unit financial report for the year ending 30 June 2013 may be subject to a full compliance audit.

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. The FWC will confirm these concerns have been addressed prior to filing next year's report.

Documents must be lodged with the Fair Work Commission within 14 days of General Meeting  
Section 268 of the *Fair Work (Registered Organisations) Act 2009* states that the full report and the designated officer's certificate are required to be lodged with the FWC within 14 days of the meeting of members. The Designated Officer's Certificate indicates that this meeting occurred on 16 October 2012. If this is correct the full report should have been lodged with the FWC by 30 October 2012.

The full report was lodged on 25 January 2013.

Please note that in future financial year's requests for extension of lodgement of financial reports and the designated officer's certificate must be made prior to required date of lodgement.

Revenue recognition

The accounting standard *AASB 101 Presentation of Financial Statements* paragraph 117 and *AASB 118 Revenue* paragraph 35(a) requires that the entity must disclose the measurement basis or bases used in recognising revenue. The accounting policy for membership contribution has not been disclosed.

**Changes to the legislation and reporting guidelines**

I note with the change of legislation, references to Fair Work Australia will need to be updated to the Fair Work Commission.

Additionally, a third edition to the General Manager's s.253 reporting guidelines was gazetted on 26 June 2013. These guidelines will apply to all financial reports that end on or after 30 June 2013. Fair Work Commission has also developed a model set of financial statement for the 2012-2013 financial year. There is no requirement to use this model but it may be a useful resource to ensure compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 reporting guidelines and the Australian Accounting Standards.

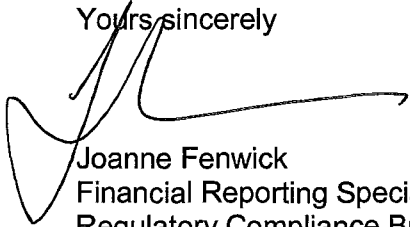
The guidelines and model financial statements are available on the website here:  
<http://www.fwc.gov.au/index.cfm?pagename=regorgsfrguidelines#finance>

As you have already lodged your 2013 financial report, based on the contents of this letter, if you believe that some information may not have been included in this financial report, please send me any addition information and I will add it to your file.

As stated previously, this financial report was filed based on a preliminary review. The financial report for the year ending 30 June 2013 may be subject to a full compliance audit.

If you have any queries regarding this letter, please contact me on (03) 8661 7886 or via email at [joanne.fenwick@fwc.gov.au](mailto:joanne.fenwick@fwc.gov.au).

Yours sincerely

A handwritten signature in black ink, appearing to be 'Joanne Fenwick', written over the typed name and title.

Joanne Fenwick  
Financial Reporting Specialist  
Regulatory Compliance Branch



CCF VICTORIAN BRANCH  
ABN 97 341 352 156

Level 1  
322 Glenferrie Road  
Malvern, VIC 3144

P (03) 9822 0900

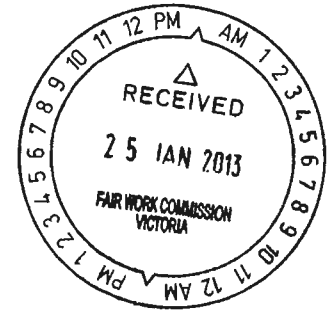
F (03) 9822 0022

F ccfvic@civilcontractors.com

[www.civilcontractorsvic.com](http://www.civilcontractorsvic.com)

23<sup>rd</sup> January 2013

Mr Robert Pfeiffer  
Senior Adviser  
Regulatory Compliance Branch  
Fair Work Commission  
GPO Box 1994  
MELBOURNE VIC 3001



Dear Mr Pfeiffer,

**Re: Failure to lodge audited financial report – (FR2012/312)**

We are in receipt of your letter dated 22<sup>nd</sup> January 2013 re the above and wish to advise that due to major staff changes over the past six months that the failure to lodge the audited financial report was a complete oversight.

We hereby lodge herewith our completed audited financial report noting that due to a lack of a quorum for the Annual General Meeting scheduled for Wednesday 5<sup>th</sup> September, 2012 this meeting was then re-scheduled on Tuesday 16<sup>th</sup> October, 2012.

Please find attached the following:

- Notice of Annual General Meeting 2012
- Annual General Meeting Agenda 2012
- Annual General Meeting – Order of Proceedings 2012
- Minutes of the previous Annual General Meeting (2011)
- Minutes of the Annual General Meeting 2012
- Certificate of Designated Officer
- Financial Report 2012 including Auditor's Report
- Annual Report 2012

Please do not hesitate to contact me should you have any further concerns.

Yours sincerely,

John Stewart  
Chief Executive Officer



**Civil Contractors Federation  
(Victorian Branch)**

**2012 Annual General Meeting Notice**

**Wednesday, 5<sup>th</sup> September, 2012**

14th August 2012

Dear Member

Notice is hereby given pursuant to the Rules of the Federation that the Annual General Meeting of Members of the Civil Contractors Federation (Victorian Branch) is to be held on Wednesday 5<sup>th</sup> September, 2012.

Meeting details are set out below and the Agenda for the meeting is attached. Also attached are the Minutes of the 2011 Annual General Meeting and the 2011/2012 Annual Report which includes the full financial reports and Auditor's Report for the year ended 30<sup>th</sup> June, 2012. These documents will also be available to Members at the AGM for approval.

- Date: Wednesday, 5th September, 2012
- Time: 9.00am **following the Contractor Breakfast 'Where the Economy is Heading'**
- Venue: Leonda By The Yarra  
Wallen Road, Hawthorn Vic 3122  
Melway: Map 45: A - 11

The AGM will be held as part of the Metro Breakfast Meeting on 5<sup>th</sup> September 2012.

Attachments:

- Meeting Agenda
- Minutes of 2011 Annual General Meeting
- 2011/12 Annual Report including financial reports and Auditor's report.

If you haven't received these documents, you can obtain them by:

- accessing our website at [www.civilcontractors.com](http://www.civilcontractors.com) (under Victoria/Annual Meeting) ; or
- telephoning Samantha Orsino on 9819 5170 and ask her to post them to you.

I look forward to seeing you at the Annual General Meeting.

Yours sincerely

John Stewart  
Chief Executive Officer



**Civil Contractors Federation  
(Victorian Branch)**

**2012 Annual General Meeting**

**Tuesday 16<sup>th</sup> October, 2012**

**Following the October Board Meeting**

**Level 1, 322 Glenferrie Road Malvern**

**Agenda**

1. Welcome
2. Apologies
3. Adoption of Minutes of 2011 Annual General Meeting
4. President's (Annual) Report
5. Acceptance of Annual Accounts
6. Appointment of Auditor
7. Appointment of Returning Officers
8. Declaration of Office Bearers
9. General Business



## Annual General Meeting

Level 1, 322 Glenferrie Road Malvern

16<sup>th</sup> October 2012

### Order of Proceedings for AGM Agenda Items

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#### Notice of Meeting

##### Welcome by President:

- Good morning ladies and gentlemen and thank you for joining us at the 2012 Annual General Meeting of the Victorian Branch of the Civil Contractors Federation.
- The Notice of Meeting has been circulated to all the members of the Branch and with your agreement, I propose to take it as read.
- Is that agreed?

#### Item 1: Apologies

##### President:

- We have received apologies from:

Ian Sowerby .....	Sure Constructions
Andrew Simpson .....	Simpson Construction
John Plumridge .....	Maw Civil
Marcus Van Enk .....	JHL Civil

- Are there any other apologies?
- Can I have a mover of the motion to receive the apologies?
- Is there a seconder of the motion?
- I will now put the motion:
  - Those in favour?
  - Those against?
- I declare the motion carried.

## **Item 2: Adoption of Minutes of the Previous Annual General Meeting**

### **President:**

- Item 2 of the Notice of Meeting is to approve the Minutes of the previous Annual General Meeting, held on 7 September 2011.
- Are there any comments or questions in relation to the Minutes?

### **President:**

- Can I have a motion that the Minutes of the previous Annual General Meeting held on 7 September 2011 and circulated to all members of the Branch, be accepted as a true and correct record of the proceedings of that meeting.
- Is there a seconder to the motion?
- I will now put the motion:
  - Those in favour?
  - Those against?
- I declare the motion carried.

## **Item 3: President's (Annual) Report**

### **President:**

- I have much pleasure in formally presenting the Annual Report to the meeting, which has been circulated to all Members. I will make a few comments on the report.

#### ***(President presents brief report)***

- I move that the Annual Report be received.
- Is there a seconder?
- Is there any discussion on the Annual Report?
- I will now put the motion that the Annual Report be received:
  - Those in favour?
  - Those Against?
- I declare the motion carried.

## **Item 4: Presentation of 2011/12 Annual Statement of Accounts**

### **President:**

- We will now proceed to deal with Item 4 on the Notice of Meeting which is to receive and consider the Branch's Annual Statement of Accounts. All Members will have received with their Notice of Meeting a copy of the accounts of the Branch containing the Report of the Branch Board, the Statement of Financial Position and the Independent Auditor's Report.

- Can I have a motion that the Audited Financial Statement for the year ending 30 June, 2012 be accepted.
- Is there a seconder to the motion?
- The meeting is now open for comments and questions on the Annual Accounts.

**President:**

- I will now put the motion that the Audited Financial Statement for the year ending 30 June, 2012 be accepted.
  - Those in favour?
  - Those against?
- I declare the motion carried.

## **Item 5: Appointment of Auditor**

**President:**

- Item 5 on the Notice of Meeting deals with the appointment of the Auditor.
- It is recommended that the current Auditor, Michael Shulman of Stannards Accountants and Advisors Pty Ltd, be re-appointed.
- Is someone prepared to move that Michael Shulman of Stannards Accounts and Advisors Pty Ltd be appointed as Auditor for the 2012/13 financial year?
- Is there a seconder?
  - Those in favour?
  - Those against?
- The motion is carried.

## **Item 6: Appointment of Returning Officers**

**President:**

- Notwithstanding that the Australian Electoral Commission conducts our elections, the Federation's Constitution requires the appointment of an Honorary Returning Officer and two Honorary Assistant Returning Officers:
  - who need not necessarily be Members of the CCF; and
  - who must not be a CCF employee or a Branch Board Member.
- Discussions have occurred with three people regarding their preparedness to accept nomination for one of these positions.
- I therefore move that Ken Edgley be appointed as Honorary Returning Officer and Adrian Fuller and Peter Maguire as Honorary Assistant Returning Officers for 2012/13.
- Is there a seconder?
- Are there any other nominations?
- I propose to put the motion that Ken Edgley be appointed as Honorary Returning Officer and Adrian Fuller and Peter Maguire as Honorary Assistant Returning Officers for 2012/13.



- Those in favour?
- Those against?
- I declare the motion carried.

## **Item 7: Declaration of Office Bearers**

### **President:**

- The Notice of Meeting contains under Item 7 the declaration of the Returning Officer of the elections for the 2011/12 Branch Board.
- Congratulations to all of those Members who have agreed to serve on the Board for the 2012/13 year. Your willingness to contribute to the governance of the Branch is very much appreciated.
- I also wish to thank retiring Board Members in Tony Croagh (Fulton Hogan) and Rod Watson (Cut and Fill) for their service on the Board, and in doing so I am pleased to welcome to the Board their successors in Glenn Johnston (Fulton Hogan) and Sophie Brown (Cut and Fill).
- Would someone like to move that the Returning Officer's Declaration be noted?
- Is there a seconder?
  - Those in favour?
  - Those against?
- The motion is carried.

## **Item 8: General Business**

### **President**

- The last item on the Notice of Meeting is General Business.
- Is there any General Business?
- Deal with any items of General Business.

## **Closure**

### **President:**

- As there are no further items of business, may I thank you all for attending this, the 2012 Annual General Meeting of the Victorian Branch of the Civil Contractors Federation, which I now close.



# Annual General Meeting

Held on Tuesday 7<sup>th</sup> September 2011 @ 9.00am  
at The Manningham Function Centre  
Doncaster Road, Doncaster

## Minutes of Meeting

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### **Present:**

- President – Ian Sowerby
  
- **Board Members:**
  - Gary Gardiner
  - Jeff Gallus
  - Rod Watson
  - Sean Delaney
  - Andrew Mahar
  - Marcus van Enk (incoming)
  
- **Officers:**
  - Claude Cullino – Chief Executive Officer
  - John Stewart – General Manager, Operations
  - Cath Stephensen – General Manager, Training & Development
  - Gaye Shillinglaw – General Manager, Finance & Governance
  
- **Members/Observers:**
  - 15 in attendance (list has been kept on record).

### **1. Apologies**

**Motion:** That the apologies from Tony Croagh, John Plumridge, John Lander and Andrew Simpson be received.

**Moved:** Jeff Gallus

**Seconded:** Gary Gardiner  
**Carried**

## **2. Minutes of the Previous Annual General Meeting**

**Motion:** That the Minutes of the Annual General Meeting held on 7 September 2010 be adopted as a true record of the proceedings of that meeting.

**Moved:** Rod Watson

**Seconded:** Ken Edgley  
**Carried**

## **3. 2010/11 Annual Report**

**Motion:** That the Annual Report be received.

**Moved:** Gary Gardiner

**Seconded:** Andrew Mahar  
**Carried**

## **4. Presentation of 2010/11 Annual Statement of Accounts**

**Motion:**

That the Audited Financial Statement for the year ending 30<sup>th</sup> June 2011 be accepted.

**Moved:** Jeff Gallus

**Seconded:** Gary Gardiner  
**Carried**

## **5. Appointment of Auditor**

**Motion:** That the current Auditor, Michael Shulman of Stannards Accountants and Advisors Pty Ltd be re-appointed as Auditor for the 2011/12 financial year.

**Moved:** Sean Delaney

**Seconded:** Rod Watson  
**Carried**

## **6. Appointment of Returning Officers**

**Motion:** That Ken Edgley be appointed as Honorary Returning Officer and Ian Shields and Peter Maguire as Honorary Assistant Returning Officer for 2011/12.

**Moved:** Marcus Van Enk

**Seconded:** Sean Delaney  
**Carried**

## **7. Declarations of Election Results**

President, Ian Sowerby acknowledged and thanked the retiring Board Member, David Draper for his contribution and commitment to the Board, and welcomed the recently elected new Board Member, Marcus Van Enk.

The CEO, Claude Cullino acknowledged and thanked outgoing President, Ian Sowerby for his enormous contribution over the past 3 years and welcomed incoming President, Andrew Mahar.

**Motion:** That the Returning Officer's Declaration be noted.

**Moved:** Jeff Gallus

**Seconded:** Rod Watson  
**Carried**

## **8. General Business**

There were no General Business items.

## **10. Meeting Closed: 9.30am**



## Annual General Meeting

Held on Tuesday 16<sup>th</sup> October 2012 @ 9.00am  
at the CCF Offices  
Level 1, 322 Glenferrie Road Malvern

## Minutes of Meeting

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### Present:

- President Andrew Mahar
- Vice President John Lander
- National Board Member Gary Gardiner

### Board Members:

- Jeff Gallus
- Sean Delaney
- Alex Lukac
- Rohan Davidson

### Casual Board Members:

- Sophie Brown
- Glenn Johnston

### Officers:

- John Stewart – Chief Executive Officer
- Rob Garrard – Manager, Training Services
- Samantha Orsino – EA to CEO (Minutes)

### Members/Observers:

- 12 in attendance (list has been kept on record).

## **1. Apologies**

**Motion:** That the apologies from Andrew Simpson, Ian Sowerby, John Plumridge and Marcus Van Enk, be received.

**Moved:** Gary Gardiner  
**Carried**

**Seconded:** Sean Delaney

## **2. Minutes of the Previous Annual General Meeting**

**Motion:** That the Minutes of the Annual General Meeting held on 7<sup>th</sup> September 2011 be adopted as a true record of the proceedings of that meeting.

**Moved:** Sean Delaney  
**Carried**

**Seconded:** Jeff Gallus

## **3. 2011/12 Annual Report**

**Motion:** That the Annual Report be received.

**Moved:** Sean Delaney  
**Carried**

**Seconded:** Gary Gardiner

## **4. Presentation of 2011/12 Annual Statement of Accounts**

**Motion:**  
That the Audited Financial Statement for the year ending 30<sup>th</sup> June 2012 be accepted.

**Moved:** Sean Delaney  
**Carried**

**Seconded:** Jeff Gallus

## **5. Appointment of Auditor**

**Motion:** That the current Auditor, Michael Shulman of Stannards Accountants and Advisors Pty Ltd, be re-appointed as Auditor for the 2012/13 financial year.

**Moved:** Gary Gardiner  
**Carried**

**Seconded:** John Lander

## **6. Appointment of Returning Officers**

**Motion:** That Ken Edgley be appointed as Honorary Returning Officer, and Adrian Fuller and Peter Maguire as Honorary Assistant Returning Officers for 2012/13.

**Moved:** Rohan Davidson  
**Carried**

**Seconded:** Sean Delaney

## 7. Declaration of Office Bearers

Due to there being no election of Office Bearers this year, Branch President, Andrew Mahar, acknowledged and thanked retiring Board Members, Tony Croagh and Rod Watson, for their contribution and commitment to the Board; he welcomed new casual Board Members, Sophie Brown and Glenn Johnston.

It was noted that Board Elections are due at the next AGM, to be held in September 2013.

**Motion:** That the Returning Officer's Declaration be noted.

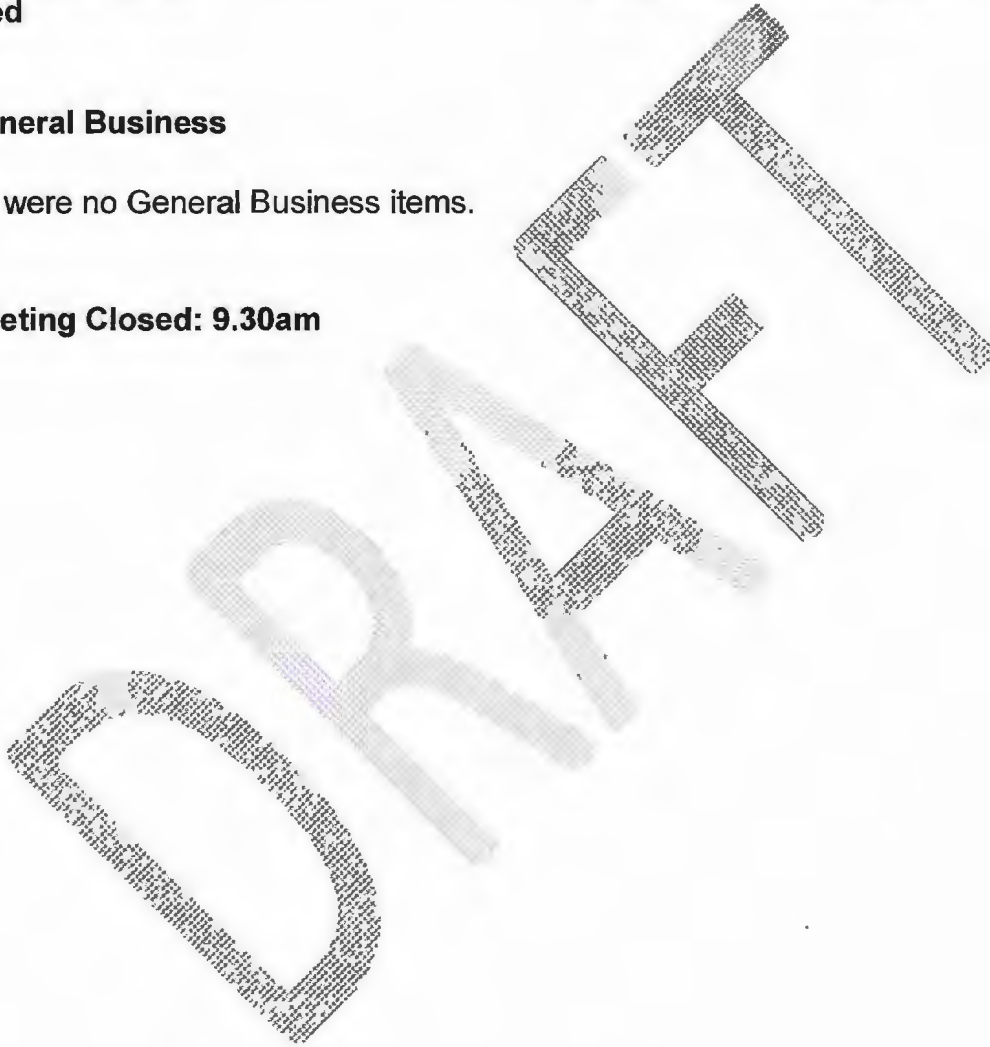
**Moved:** Jeff Gallus  
**Carried**

**Seconded:** Rod Watson

## 8. General Business

There were no General Business items.

## 9. Meeting Closed: 9.30am





**CIVIL CONTRACTORS  
FEDERATION**

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**Certificate of Designated Officer**

S268 of Fair Work (Registered Organisations) Act 2009

I, **Andrew Mahar**, 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 RO Act; and
- that the full report, was provided to members on 14th August 2012; and
- that the full report was presented to the General Meeting of Members of the reporting unit on 16<sup>th</sup> October 2012; in accordance with section 266 of the RO Act.

Signature

Date: 16<sup>th</sup> October 2012



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

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2012**

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Coghlan's Accountants & Advisors  
Level 5, 969 Burke Road  
Camberwell VIC 3124

Phone: 03 9835 6000 Fax: 03 9835 6010  
Email: [ca@coghlan.net.au](mailto:ca@coghlan.net.au)

**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**

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The Committee Members present this report of the CIVIL CONTRACTORS FEDERATION VICTORIAN BRANCH for the financial year ended 30 June 2012.

**Committee of Management Members**

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

Andrew Mahar	President & Alternate Board Member (National)
John Lander	Vice President
Joseph Simpson	Treasurer
Gary Gardiner	National Board Member & Board Member

Alex Lukac  
Ian Sowerby  
Jeff Gallus  
John Plumridge  
Marcus Van Erk  
Rod Watson  
Rohan Davidson  
Sean Delaney  
Tony Croagh

**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 \$134,012 (2011: \$137,842).

For the 2012 year, the Branch generated operating cash inflows of \$23,331, and it generated positive cash flows of \$851,602 from financing and investing activities. Cash balances during the year have increased from \$560,223 to \$1,435,156 as a result of its activities and investment redemptions during the year. As at reporting date, it has a working capital surplus of \$1,392,732 (2011: \$306,514).

**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

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#### Members and Employees

The number of persons who, at the end of the year, were recorded on the Register of Members was 682.  
The number of persons who were, at the end of the year, employees of the Victorian Branch of the Federation was 14.88 employees measured on a full time basis.

#### Trustee or director of trustee company of superannuation entity of exempt public sector superannuation scheme

No officer or member holds a dedicated position as a superannuation trustee under section 254(2)(d) of the Fair Work (Registered Organisations) Act 2009.

#### Manner of Resignation

Members may resign from the Victorian Branch of the Federation in accordance with rule 9, and section 174 of the Fair Work (Registered Organisations) Act. Rule 9 reads as follows:

#### Rule 9 – RESIGNATION OF MEMBERS

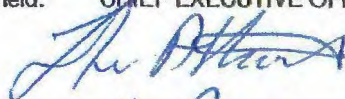
- (a) A Member may resign from the Federation by written notice addressed and delivered to the Chief Executive Officer.
- (b) A notice of resignation from membership of the Federation takes effect:
- (i) At the end of two weeks after the notice is received by the Federation; or
  - (ii) On the day specified 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: JOHN STEWART

Title of Office held: CHIEF EXECUTIVE OFFICER

Signature:



Date:

10<sup>th</sup> August 2012

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

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On 10th August 2012, 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 2012:

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 General Manager of Fair Work Australia (FWA);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the 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 the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
  - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - (v) the information sought in any request of a member of the reporting unit or the General Manager of FWA duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager of FWA; and
  - (vi) no orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009; 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:



Andrew Mahar

Date: 10<sup>th</sup> August 2012

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156  
INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2012**

	Note	2012 \$	2011 \$
Revenue	2	<u>3,778,377</u> <u>3,778,377</u>	<u>3,496,645</u> <u>3,496,645</u>
Accountancy expenses		(29,409)	(18,491)
Auditors' remuneration	3	(8,197)	(8,965)
Bad and doubtful debt expenses	4	(5,224)	(891)
Depreciation and amortisation expenses	4	(79,736)	(72,450)
Employee benefits expenses	4	(1,555,360)	(1,529,136)
Investment expenses		-	(8,800)
Other expenses		<u>(1,966,439)</u>	<u>(1,720,070)</u>
<b>Profit before income tax</b>		<u>134,012</u>	<u>137,842</u>
Retained earnings at the beginning of the financial year		1,362,880	1,225,038
<b>Retained earnings at the end of the financial year</b>		<u><u>1,496,892</u></u>	<u><u>1,362,880</u></u>

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2012**

	Note	2012 \$	2011 \$
Profit for the period		<u>134,012</u>	<u>137,842</u>
Other Comprehensive income for the period		-	-
Total Comprehensive income for the period		<u>134,012</u>	<u>137,842</u>
<b>Total Comprehensive income attributable to members of the organisation</b>		<u><b>134,012</b></u>	<u><b>137,842</b></u>

The accompanying notes form part of these financial statements.

**CIVIL CONTRACTORS FEDERATION**  
**VICTORIAN BRANCH**  
**ABN: 97 341 352 156**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2012**

	Note	2012 \$	2011 \$
<b>Current Assets</b>			
Cash and cash equivalents	5	1,435,156	560,223
Trade and other receivables	6	1,500,227	1,257,054
Inventories	7	11,483	13,919
Other current assets	8	29,002	52,198
<b>Total Current Assets</b>		<u>2,975,868</u>	<u>1,883,394</u>
<b>Non-Current Assets</b>			
Financial assets	9	12,500	948,721
Property, plant and equipment	10	275,610	274,332
<b>Total Non-Current Assets</b>		<u>288,110</u>	<u>1,223,053</u>
<b>Total Assets</b>		<u>3,263,978</u>	<u>3,106,447</u>
<b>Current Liabilities</b>			
Trade and other payables	11	1,433,514	1,360,382
Borrowings	12	71,256	72,295
Provisions	13	68,276	94,113
Other current liabilities	14	10,090	50,090
<b>Total Current Liabilities</b>		<u>1,583,136</u>	<u>1,576,880</u>
<b>Non-Current Liabilities</b>			
Trade and other payables	11	2,000	2,000
Borrowings	12	103,987	106,700
Provisions	13	75,963	55,987
<b>Total Non-Current Liabilities</b>		<u>181,950</u>	<u>164,687</u>
<b>Total Liabilities</b>		<u>1,765,086</u>	<u>1,741,567</u>
<b>Net Assets</b>		<u>1,498,892</u>	<u>1,364,880</u>
<b>Equity</b>			
Reserves	15	2,000	2,000
Retained earnings	16	1,496,892	1,362,880
<b>Total Equity</b>		<u>1,498,892</u>	<u>1,364,880</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 2012**

	<b>Retained Earnings</b>	<b>General Reserves - Members' Debentures</b>	<b>Total</b>
<b>Balance at 1 July 2010</b>	1,225,038	2,000	1,227,038
<b>Profit attributable to members</b>	<u>137,842</u>	<u>-</u>	<u>137,842</u>
<b>Balance at 30 June 2011</b>	<u>1,362,880</u>	<u>2,000</u>	<u>1,364,880</u>
<b>Profit attributable to members</b>	<u>134,012</u>	<u>-</u>	<u>134,012</u>
<b>Balance at 30 June 2012</b>	<u>1,496,892</u>	<u>2,000</u>	<u>1,498,892</u>

**CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH  
ABN: 97 341 352 156  
CASHFLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2012**

	Note	2012 \$	2011 \$
<b>Cash Flows From Operating Activities</b>			
Cash Receipts in the course of operations		3,401,262	3,436,208
Cash Receipts from related parties		82,012	82,012
Interest Received		33,128	38,391
Cash Payments in the course of operations		<u>(3,493,071)</u>	<u>(3,453,698)</u>
Net cash provided by (used In) operating activities	18	<u>23,331</u>	<u>102,913</u>
<b>Cash Flows from Investing Activities</b>			
Payment for Plant & Equipment		(24,665)	(30,079)
Proceeds from disposal of Plant & Equipment		29,935	87,879
(Payment)/Withdrawals from Investments		<u>936,221</u>	<u>(43,046)</u>
Net cash provided by (used In) investing activities		<u>941,491</u>	<u>14,754</u>
<b>Cash Flows from Financing Activities</b>			
Net Repayment of Hire Purchases		<u>(89,889)</u>	<u>(132,573)</u>
Net cash provided by (used In) financing activities		<u>(89,889)</u>	<u>(132,573)</u>
Net increase (decrease) in cash held		874,933	(14,906)
Cash at beginning of financial year		<u>560,223</u>	<u>575,129</u>
Cash at end of year	5	<u><u>1,435,156</u></u>	<u><u>560,223</u></u>

The accompanying notes form part of these financial statements.

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

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

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

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.

**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 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.

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NOTES TO THE FINANCIAL STATEMENTS**

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

Class of Fixed Asset	Depreciation Rate
Motor Vehicles	18.75% - 25%
Plant and equipment	1.5 – 66.67%

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

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.

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**NOTES TO THE FINANCIAL STATEMENTS**

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**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.

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.

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 the end of the reporting period. 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.

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**NOTES TO THE FINANCIAL STATEMENTS**

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**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 statement of financial position.

**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).

**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 statement of financial position are shown inclusive of GST.~~

**k. Trade and Other Payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the entity during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**l. Comparative Figures**

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

**m. Critical Accounting Estimates and Judgments**

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

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

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

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

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

The key changes made to accounting requirements include:

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

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

- AASB 1053: Applications of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and

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Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

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

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

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

Management is yet to determine whether to adopt the reduced disclosure requirements.

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

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

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

The amendments are not expected to significantly impact the Branch.

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

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

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



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

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

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

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

AASB 13 requires:

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

These Standards are not expected to significantly impact the Branch.

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

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

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

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

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

AASB 119 (September 2011) also includes changes to:

The accompanying notes form part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS**

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- require only those benefits that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service to be classified as short-term employee benefits. All other employee benefits are to be classified as other long-term employee benefits, post-employment benefits or termination benefits, as appropriate; and
- the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:
  - (i) for an offer that may be withdrawn – when the employee accepts;
  - (ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
  - (iii) where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and if earlier than the first two conditions – when the related restructuring costs are recognised.

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

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

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

- 1) *A member of a reporting unit, or a General Manager of FWA, 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**

**2 Revenue**

<b>Operating activities</b>		
Interest received	33,128	38,391
Rendering of services	2,367,232	1,833,560
Other revenue	1,377,870	1,624,694
Profit on Sale of Non-current Assets	147	-
Total revenue	<u>3,778,377</u>	<u>3,496,645</u>

**3 Auditor's Remuneration**

Audit Services	8,197	8,965
	<u>8,197</u>	<u>8,965</u>

**4 Profit from Ordinary Activities**

**Expenses**

Loss on Sale of Non-current Assets	-	13,548
Depreciation of property, plant and equipment	79,736	72,450
Bad Debts Written Off	5,224	891
Total bad and doubtful debts	<u>5,224</u>	<u>891</u>
Rental of Premises	151,008	151,332
Operating Lease Expenditure	30,720	23,177
	<u>181,728</u>	<u>174,509</u>
Salary and Benefits -- Officers	284,397	180,073
Salary and Benefits -- Non-Officers	1,270,963	1,349,063
	<u>1,555,360</u>	<u>1,529,136</u>
<b>Significant Revenue</b>		
Incolink Funding	644,368	656,899
	<u>644,368</u>	<u>656,899</u>

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

**5 Cash and Cash Equivalents**

<b>Current</b>		
Deposit	4,000	4,000
Cash at Bank	239,684	171,010
Commercial Bills	1,191,472	385,213
	<u>1,435,156</u>	<u>560,223</u>

**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 set out above.

**6 Trade and Other Receivables**

<b>Current</b>		
Unamortised GST on Cars	-	14,953
Trade Debtors	1,500,227	1,238,252
Sundry Debtors	-	3,849
	<u>1,500,227</u>	<u>1,257,054</u>

**7 Inventories**

<b>Current</b>		
Publications on Hand – at cost	6,539	12,484
Cards on Hand – at cost	4,944	1,435
	<u>11,483</u>	<u>13,919</u>

**8 Other Current Assets**

<b>Current</b>		
Borrowing Costs	994	1,004
Prepayments	27,670	50,856
Withholding Tax	338	338
	<u>29,002</u>	<u>52,198</u>

**CIVIL CONTRACTORS FEDERATION  
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**9 Financial Assets**

**Available for sale financial assets**

Unlisted investments, at fair value	12,500	948,721
<b>Total available-for-sale financial assets</b>	<u>12,500</u>	<u>948,721</u>

**10 Property, Plant and Equipment**

**Motor Vehicles:**

At cost	298,501	255,870
Accumulated depreciation	(111,251)	(72,389)
<b>Total motor vehicles</b>	<u>187,250</u>	<u>183,481</u>

**Office Furniture & Equipment:**

At cost	289,300	348,504
Accumulated depreciation	(200,940)	(257,653)
<b>Total office furniture &amp; equipment</b>	<u>88,360</u>	<u>90,851</u>
<b>Total property, plant and equipment</b>	<u>275,610</u>	<u>274,332</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 1 July 2010	227,712	75,262	302,974
Additions	110,031	35,204	145,235
Disposals	(101,427)	-	(101,427)
Depreciation Expense	(52,835)	(19,615)	(72,450)
<b>Carrying amount at 30 June 2011</b>	<u>183,481</u>	<u>90,851</u>	<u>274,332</u>
Additions	88,379	22,423	110,802
Disposals	(27,335)	(2,453)	(29,788)
Depreciation Expense	(57,275)	(22,461)	(79,736)
<b>Carrying amount at 30 June 2012</b>	<u>187,250</u>	<u>88,360</u>	<u>275,610</u>

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

**11 Trade and Other Payables**

<b>Current</b>		
Income Not Yet Earned	1,147,116	1,062,561
Accounts Payable	114,350	114,706
Other Creditors	10,786	13,181
Payroll Liabilities	30,238	34,152
GST Payable	131,024	135,782
	<u>1,433,514</u>	<u>1,360,382</u>
<b>Non-Current</b>		
Debentures Not Repayable Within One Year	2,000	2,000
	<u>2,000</u>	<u>2,000</u>

**12 Borrowings**

<b>Current</b>		
Hire Purchase Liability	81,731	87,205
Less: Unexpired Hire Purchase Liability	(10,475)	(14,910)
	<u>71,256</u>	<u>72,295</u>
<b>Non-Current</b>		
Hire Purchase Liability	109,003	112,068
Less Unexpired Hire Purchase Liability	(5,016)	(5,368)
	<u>103,987</u>	<u>106,700</u>

**13 Provisions**

Provision for Annual Leave	68,276	94,113
Provision for Long Service Leave	75,963	55,987
<b>Total provisions</b>	<u>144,239</u>	<u>150,100</u>
<b>Analysis of Total Provisions</b>		
Current	68,276	94,113
Non-current	75,963	55,987
	<u>144,239</u>	<u>150,100</u>
No entitlement provisions relate to officeholders.		

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

**14 Other Liabilities**

<b>Current</b>		
Accrued Wages/Bonuses	-	40,000
Accrued Expenses	10,090	10,090
	<u>10,090</u>	<u>50,090</u>

**15 Reserves**

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.		

**16 Retained Earnings**

Retained earnings at the beginning of the financial year	1,362,880	1,225,038
Net profit attributable to the entity	134,012	137,842
Retained earnings at the end of the financial year	<u>1,496,892</u>	<u>1,362,880</u>

**17 Capital and Leasing Commitments**

**Hire Purchase Commitments**

Payable - minimum Hire Purchase payments		
Not later than 12 months	81,731	87,205
Later than 12 Months but not later than 2 years	93,182	65,175
Later than 2 years but not later than 5 years	15,820	46,893
Minimum Hire Purchase payments	<u>190,733</u>	<u>199,273</u>
Less future finance charges	(15,490)	(20,278)
Present value of minimum lease payments	<u>175,243</u>	<u>178,995</u>

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

**17 Capital and Leasing Commitments (Continued)**

**Operating Lease Commitments**

Payable - minimum Operating Lease payments		
Not later than 12 months	200,801	160,987
Later than 12 Months but not later than 2 years	189,380	21,149
Later than 2 years but not later than 5 years	500,120	23,360
Minimum Operating Lease payments	<u>890,301</u>	<u>205,496</u>

**18 Cash Flow Information**

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

Profit from Ordinary Activities after income tax	134,012	137,842
Add / (Less) Non Cash Flows in Profit from Ordinary Activities:		
- Depreciation	79,736	72,450
- (Profit)/Loss on Sale of Plant & Equipment	(147)	13,548
	<u>213,601</u>	<u>223,840</u>
Changes in Operating Assets and Liabilities		
-(Increase)/Decrease in Trade Debtors	(261,975)	(48,410)
- (Increase)/Decrease in Inventory	2,436	(2,949)
- (Increase)/Decrease in Prepayments	23,186	126
- (Increase)/Decrease in Other Assets	10	(366)
- (Increase)/Decrease in Other Receivables	18,802	2,997
- Increase/(Decrease) in Payables	73,132	(94,210)
- Increase/(Decrease) in Other Liabilities	(40,000)	5,872
- Increase/(Decrease) in Employee Entitlements	(5,861)	16,013
<b>Net cash provided by operating activities</b>	<u>23,331</u>	<u>102,913</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 \$86,137 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 2012.

	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	4.24%	239,684	1,195,472	-	-	1,435,156
Managed Investments		-	-	-	-	-
<b>Total Financial Assets</b>		<u>239,684</u>	<u>1,195,472</u>	-	-	<u>1,435,156</u>
<b>Financial Liabilities</b>						
Bank overdraft secured		-	-	-	-	-
<b>Total Financial Liabilities</b>		-	-	-	-	-

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 Statement of Financial Position and in the notes to the financial statements.

A 1% change in interest rates would change profit before tax by \$14,352

The Committee of Management meet regularly to monitor liquidity and credit risk, based on forecast economic conditions and cashflow requirements. No foreign currency risk exists

**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:

	2012		2011	
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
	\$	\$	\$	\$
<b>Financial Assets</b>				
Cash and cash equivalents	1,435,156	1,435,156	560,223	560,223
Managed Investments	-	-	936,221	936,221
<b>Total Financial Assets</b>	<u>1,435,156</u>	<u>1,435,156</u>	<u>1,496,444</u>	<u>1,496,444</u>
<b>Financial Liabilities</b>				
Bank overdraft secured	-	-	-	-
<b>Total Financial Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**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. The names of Committee members are set out in the Operating Report

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

Transactions with related parties:	\$	\$
<b>Income</b>		
Interstate Branches	<u>53,093</u>	<u>158,071</u>
<b>Expenses</b>		
Affiliation – National CCF	157,827	152,910
Other - National CCF	9,891	3,560
CMS Expenses	-	50,635
	<u>167,718</u>	<u>207,105</u>

As at 30 June 2012 the balances receivable from related parties are as follows:

CCF - National Branch	15,469	(13,949)
CCF – NSW Branch	66	1,476
CCF - NT Branch	-	-
CCF – SA Branch	(57)	-
CCF – Qld Branch	-	-
CCF – Tas Branch	2,863	2,907

The accompanying notes form part of these financial statements.

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

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**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.

**22 Dependency**

The branch is economically dependant on membership fees and training fees.

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

**PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2012**

	2012 \$	2011 \$
<b>INCOME</b>		
Membership Contributions	1,057,860	972,783
Publications	60,765	64,213
Training Fees	1,248,607	796,564
	<u>2,367,232</u>	<u>1,833,560</u>
<b>OTHER INCOME</b>		
Interest Received	33,128	38,391
Meetings & Social Functions	579,553	754,166
Incolink	644,368	656,899
Sundry Income	46,746	91,772
CMS Income	37,350	70,175
OAMPS State End Fee	70,000	51,682
	<u>1,411,145</u>	<u>1,663,085</u>
	<u><b>3,778,377</b></u>	<u><b>3,496,645</b></u>
<b>EXPENSES</b>		
Accountancy Fees	29,409	18,491
Affiliation & CEO meetings - National C.C.F.	174,805	152,910
Auditor's Remuneration	8,197	8,965
Bad Debts Written Off	5,224	891
Bank Charges	10,164	11,483
CMS	29,122	12,882
Computer Web Site	31,986	10,058
Depreciation	79,736	72,450
Hire Purchase Charges	26,766	22,171
Investment Expenses	-	8,800
Legal & Professional Costs	21,617	30,075
Loss on Sale of Non-current Assets	-	13,548
Meetings, Seminars & Functions	408,782	364,106
Motor Vehicle Expenses	54,635	75,988
Other Administrative Costs	701,659	590,018
Payroll Tax	56,437	67,255
Provision for Annual Leave	(25,837)	1,924
Provision for Long Service Leave	19,976	14,089
Publications	41,281	37,390
Regional Support Expenditure	-	7,027
Salaries & Benefits - Officers	284,397	180,073
Salaries & Benefits - Non Officers	1,270,963	1,349,063
Scholarship	1,044	128
Special Projects and Advocacy	62,306	87,092
Subscriptions	7,887	12,132
Training Expenditure	336,176	136,591
Travelling & Accommodation	7,633	22,568
Victorian Prequal	-	50,635
	<u>3,644,365</u>	<u>3,358,803</u>
<b>Profit before income tax</b>	<u><b>134,012</b></u>	<u><b>137,842</b></u>

The accompanying notes form part of these financial statements.



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

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

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

*Stannards Accountants & Advisors*

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

*Michael Shulman*

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

Date: 10/6/12

Stannards Accountants and Advisors Pty Ltd  
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Liability limited by a scheme approved under Professional Standards Legislation

Partners  
Marino Angelini, CA  
Michael Shulman, CA  
Nello Traficante, CPA  
Jason Wall, CA  
Nicole Postan, CA

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
CIVIL CONTRACTORS FEDERATION  
VICTORIAN BRANCH**

**Report on the Financial Report**

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

*Board's Responsibility for the Financial Report*

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

*Auditor's Responsibility*

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

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

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



**Independence**

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

**Auditor's opinion**

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

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

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

*Stannards*

**STANNARDS ACCOUNTANTS & ADVISORS**

A handwritten signature in black ink, appearing to read "M B Shulman".

**M B SHULMAN (Holder of Public Practice Certificate)**  
Partner  
Auditor Registration no. 163888

Dated in Melbourne *10/6/12*







**Victorian Branch**

**ANNUAL  
REPORT  
2011-2012**



**Address:** 192B Burwood Road, Hawthorn 3122  
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## 1. OVERVIEW

This Annual Report provides a comprehensive overview of the activities and achievements of the Civil Contractors Federation (CCF) Victorian Branch over the financial year 2011-12.

This year has seen a period of realignment of strategic direction to match member expectations; and consequently, a significant restructure of the business to deliver those specific directions.

Whilst much has changed within the Branch over the period, the maintenance of CCF Victoria's strong financial and advocacy position within the Victorian civil construction industry has been of paramount importance. This has been achieved through strong governance principles and management structures, supported by a diligent Board and highly focused management team and staff.

The Board for 2011-12 has remained stable, following the addition of four new members in 2010-11.

## 2. THE CONSTRUCTION CLIMATE

It is clearly evident, particularly to members in the southern areas of the State, that climatic conditions are playing havoc with many projects with both the wettest summer and autumn/spring for many years. As a result, many contractors have faced considerable delays in completing projects; and in some cases, projects have been abandoned until conditions improve.

The climatic situation has undoubtedly been exacerbated by the overall reductions in both Government infrastructure spending and private sector development investment. Key aspects of these issues are the reduction in the VicRoads Budget and the 35% drop (in some aspects) of the housing development market; further, the housing development sector has been affected by the lack of buyer confidence following the recent State Budget decision to remove the highly successful State Government First Home Owners Bonus, which was delivered on top of the Federal First Home Owners Grant.

The Local Government sector has however tended to hold up reasonably well over the year, but the predictability of work opportunities in this sector remains as a point of contention, due to the reluctance of the sector to make publically available, their forward works program beyond the current year. Ironically, the expectation by Local Government generally is that contractors will invest hundreds of thousands in capital and human resources on the basis of, at most, 12 months of forward work knowledge. This is a particular focus of our ongoing advocacy.

From the infrastructure maintenance aspect, similar trends to the construction sector are being experienced; these trends if not reversed, will have a long standing impact on the sustainability of the current infrastructure.

These impacts have naturally resulted in a tightening of the industry, both in competition for works and people employed in the industry sector. It is clear that these outcomes have in turn, increased the need for enhanced member services and advice, and we anticipate this need will continue into the future.

On a brighter note, the Water Sector Capital Expenditure budgets have been maintained or slightly increased over previous years, presenting opportunities for a number of members. The tightening of the market however has resulted in many contractors turning to innovation, marketing and process improvement to counter tighter margins, higher competition levels and lower workloads.

The forward view for the industry remains stable at the current lower levels for the State and Local Government sectors. The development sector is more difficult to predict, however there is an expectation that there will be some marginal improvement as the effects of interest rate cuts and a growing population increase demand.

### 3. THE CCF VICTORIAN BRANCH

Members will no doubt be aware of the significant re-structure of the Branch following the resignation of Claude Cullinó (CEO 2010-11) in November 2011. This restructure resulted from the need to re-align the Branch with member service expectations, and to create structural efficiencies to provide a commercially enhanced business. As a guide, the restructure will deliver a 9.5% improvement in the Wages to Revenue ratio over the coming year.

The restructure has seen changes occur in the three key business aspects of Operations, Training and Finance and Governance. In each business aspect, there have been personnel and process changes, which in the last quarter of 2011-12 demonstrated significant improvement in service delivery and financial return. Whilst the improvements are still "bedding in" there remains much room for further improvement across the business; this will continue to be driven by the Management Team through the 2012-13 financial year.

The new CCF Victoria Organisational Chart can be viewed at Appendix 1, Page 13.

The structural changes mentioned above have resulted in strong financial improvement through the second half of the year, and have resulted in the Branch achieving a conservative but positive surplus at 30<sup>th</sup> June 2012. The final result is however a significant improvement on the original budget, and demonstrates the diligence of the Board and Management Team in delivering improvement. It should be noted that the structural changes have not resulted in any reduction in member service delivery.

The membership of the Branch has seen some minor growth in the Associate area but overall has remained quite stable over the year. A number of new initiatives currently being implemented are showing signs of increasing membership enquiry, which is pleasing given the current difficult construction environment.

### 4. GOVERNANCE

The CCF Victorian Branch is governed by a 13 person Board, each of whom represents a "contractor" member company. The Board membership represents regional and metropolitan members, small, medium and large contractors, and contractors across the water, roads, Local Government and development sectors.

The resignation of Board Member David Draper was accepted in July 2011, his position was filled by Marcus Van Enk of JHL Civil, from August 2011.

The 2011-12 Board comprised the following persons. The number of Board Meetings attended out of the 10 Board Meetings held, is shown in the table below:

Board Member Name	Position Held	Representative Company	Meetings attended
Andrew Mahar	President	Pipecon Pty Ltd	8
John Lander	Vice President	Jaydo Constructions Pty Ltd	4
Andrew Simpson	Honorary Treasurer	Simpson Constructions Pty Ltd	6
Gary Gardiner	Nat. Board Delegate	Civilwork Constructions Pty Ltd	9
Ian Sowerby	Board Member	Sure Constructions Pty Ltd	10
Rohan Davidson	Board Member	Winslow Constructors Pty Ltd	9
Marcus Van Enk	Board Member	JHL Civil Pty Ltd	9
Tony Croagh	Board Member	Fulton Hogan Pty Ltd	5
Jeff Gallus	Board Member	BMD Constructions Pty Ltd	7
Sean Delaney	Board Member	Delplant Pty Ltd	8
Alex Lukac	Board Member	Abigroup Pty Ltd	10
John Plumridge	Board Member	Maw Civil Pty Ltd	9
Rod Watson	Board Member	Cut & Fill Pty Ltd	9

The Branch Board has the constitutional responsibility to set and monitor the strategic direction of the Branch, approve and monitor Branch Budgets, debate and approve/decline key initiatives and activities that will impact on members. The methodology employed to undertake these activities commences with the development of a Branch Business Plan, at a workshop held each February.

The Business Plan sets out and prioritises the key issues to be addressed for the coming period. From the Business Plan, the Branch Management Team determines the resource needs of the business required to deliver the Business Plan objectives, and formulates an income and expense budget. The Board debates and approves the Budget; the Branch's financial performance is monitored against the Budget at each Board meeting, the Business Plan is monitored by the Board quarterly.

Of the 57 objectives in the Business Plan set in March 2011, 39 items have been delivered and 13 remain ongoing; 4 items the Board determined as not appropriate to continue pursuing, 1 item was held over as a result of website issues. It should be noted that the Forward Business Plan was substantially reviewed in February 2012, to reflect the change in strategic direction to a more member service based set of deliverables; the deliverables in this Revised Business Plan are progressing within their prioritisation. The Business Plan is available on request to all members.

#### Additional Governance Requirements

To further enhance governance of the business operations and in accordance with a provision of the Branch's Risk Management Plan, special audits were undertaken by the Branch's Accountants (Coghlan) and/or Auditors (Stannards). Whilst the Branch received a 'clean bill of health' in regard to the audits, several minor opportunities for improvement were identified and appropriate actions have been implemented.

#### Branch Key Performance Indicators

A key aspect of the Branch's performance is assessed against the Key Performance Indicators which form part of the Business Plan. The comparison against targets follows:

• Maintain membership retention	-	94%	(target 98%)
• Increase membership base	-	678	(target 680)
• Increase by 10% the number of Councils/Government agencies specifying IMS	-	4%	(target 10%)
• Management System Sales	-	26	(target 32)
• Delivery of Business Plan Objectives (including ongoing items)	-	91% Achieved	(target 95%)
• Meet Customer Service Undertaking targets	-	Achieved	
• Maintain quality of production of written material	-	Improved through review	
• Maintain Member satisfaction at 2010-11 Level	-	Achieved	

## 5. FINANCIAL PERFORMANCE (AUDITED)

As previously indicated the Branch remains in a strong financial position having traded at a surplus to original budget expectations. The key statistics are shown below.

o Surplus on operations	\$134,012.00	
o Nett Equity	\$1,498,892 representing a \$134,012 improvement over 2010-2011	
o Cash Holding	\$1,435,156	
o Total Employment Costs as % of Revenue	42%	(Target < 35%)
o Liquidity Level	480%	(Target > 300%)
o Trading Cover	9.4 Months	(Target > 3 months)
o Quick Ratio	1.68%	(Target > 1.5%)
o Debtors Days	36.2 Days	(Target < 36 Days)
o Membership Income as % of Total Employment Cost	68%	(Target > 70%)
o Training Income / Wages Ratio	55%	(Target > 30%)
o Return on Earnings:		
> Training	10.7%	(Budget > 8%)
> Global	3.54%	(Budget > 3%)
> Retained Earnings	\$1,435,000	(Target \$1.2 Mil. m/n.)

Outside of our major operating expenses, such as staff, property, training costs and functions, the Branch, in keeping with the expectations of the CCF National Office of all Branches, again in 2011-12, has provided a significant level of funding to the CCF National Office. This cost represents some 16% of the membership fees levied for the year.

As shown in the table above, the Branch has substantial cash holdings which for several years have been invested, in accordance with the Branch's investment strategy, in a combination of Cash Term Deposits and Managed Funds. Following the mid year (December 2011) review of these investments, the Board determined that in light of the volatility in global markets, all reserves would be re-invested in fixed term cash deposits with Australia's largest bank, The Commonwealth Bank of Australia. This move was taken to protect the retained member funds against the ongoing volatility in global financial markets.

During the course of the year the Branch, in line with CCF National's request, has moved to a new accounting package (EXOBIZ); this transition has been at some expense to the Branch but will in time deliver significantly improved financial reporting capability.

## 6. MEMBER SERVICES

Member service delivery over the year continued strongly through our Field Officers (OHS, Environmental and Traffic Management) together with over 60 member functions across all geographical areas of the State. These functions were supported by a steady flow of information provision via the CCF Enews and hard copy Bulletin publications; these services will continue unchanged into the future.

While further work was undertaken on improving the CCF National Website, CCF Victoria developed a sub website to further enhance information provision to members. A new initiative is the current development of a mobile phone "application" to bring CCF information into the hands of every member (with a compatible phone); in addition, this will mean only two touches on the phone screen to call CCF and/or gain information on training courses, events and latest CCF news.

Our member service provision is also supported by the continuing strong relationships with the following groups:

- The CCF Panel of Legal Providers
- Ridgeline HR
- Victoria's Small Business Commissioner
- The Water Industry Liaison Committee
- The Civil Construction Alliance
- The Civil Standards Co-Ordination Group

The Branch has continued to work on enhancing relationships with stakeholder groups that either have a relationship with, or impact on, CCF Members. These relationships are most important to achieving speedy representation of member issues and queries, whether it be an issue impacting a group of members or an individual. In essence, these relationships support the Board's direction of ensuring CCF Victoria is primarily a service provider to its members. Members of this stakeholder group include but are not limited to:

- VicRoads
- Institute of Public Works Engineering Australia
- Association of Land Development Engineers
- Urban Development Institute of Australia
- Master Builders Association
- Department of Planning and Community Development
- The Office of the Small Business Commissioner
- The Water Industry Liaison Committee
- ~~The Victorian Electrical Distributors Network Committee~~

In re-structuring the Branch, it has been recognised that our Branch facilities require improvement, and as such later in 2012 the Branch will be relocating to a new property at 322 Glenferrie Road Malvern. This new facility provides us with double the current training facility; ease of parking for those undertaking training and locates all facilities on the one level. It is intended that a number of member functions will be held at the Branch offices rather than at external locations, as has been the case previously.

#### Key Membership Statistics

1. Total Victorian Membership:	678
2. Total Metropolitan Members:	363
3. Total Regional Members:	315
4. Total Associate Members:	136
5. New Members 2011/12:	47
6. Members Resigned/Terminated:	41
7. Regional Meetings Held:	28

#### 7. ADVOCACY

The Victorian Coalition Government, now in its second year, has continued with strong reductions in infrastructure construction and maintenance budgets that either directly or indirectly are impacting on the sector at all levels. As a result, advocacy efforts have been largely concentrated

on ensuring awareness of the impacts to the industry is heightened, providing Government with options for reducing financial impacts of lower work opportunities, and heightening the awareness of redundant and unnecessary red tape that is simply adding to the cost of doing business.

The Board has been active in maintaining a number of Sub Committees to influence the various sectors such as the Roads and Bridges, Water and Infrastructure Maintenance sectors. As a result of the work done by these Sub Committees, a number of improvements to the respective sectors has been achieved, however a considerable amount of work remains to be undertaken to achieve the desired outcomes.

Another key aspect of our advocacy program has been the continuance of efforts to introduce a "Training Criteria" into civil construction projects. The intention is twofold, in initially encouraging State and Local Governments to look to releasing a minimum two years forward capital works program, to allow effective workforce planning by contractors.

The second aspect of the initiative is to encourage State and Local Governments to require contractors to identify workplace training needs relevant to the specific project, and then to ensure that the training identified takes place over the course of the project.

The initial pilot project to develop the "Training Criteria" has recently been completed with strong acceptance by all stakeholders that the pilot process in fact works well, and delivers the required outcomes. What now remains is the advocacy to promote the concept with Government agencies.

Strong relationships and ongoing dialogue has been maintained in the following areas:

- The Victorian Premier on the rising cost of infrastructure construction and the effects of the Budget.
- Minister for Local Government and her Chief of Staff on forward work programs, reducing Red Tape in dealing with Local Government, the need for a whole of Local Government Contractor Pre-qualification Program.
- State Treasurer on the effects of the May 2012 State Budget and potential solutions to offset these effects.
- The Minister for WorkSafe on the proposed introduction of Harmonised OHS Legislation and specific OHS related issues.
- The Minister for Higher Education on VET Training Funding (Certificate III/IV), the "Training Criteria" Initiative.
- The Minister for Planning on Development Planning and Major Project Planning.
- The Parliamentary Secretary for Small Business on the cost of Red Tape to Small Business.
- The Parliamentary Secretary for Transport on the impacts of the budgets, the longer term effects of reduced infrastructure maintenance and the need for a two to five year forward works program.
- Various Regional and Metropolitan Members of Parliament to garner support for the key issues being advocated, and on localised issues in the regional environment.
- The Small Business Commissioner on Security of Payments and contractual dispute resolution.
- The Metropolitan Retail Water Authorities on issues impacting contractors.
- The Institute of Public Works Engineering Australia on matters regarding tendering and contracts management within Local Government.
- A variety of "Heads of Department" for Statutory Authorities and stakeholders on the many topics that impact contractors on a daily basis.
- Ongoing involvement and hosting of the Civil Construction Alliance which continues to provide, under the chairmanship of former CEO Bob Seiffert, a direct conduit into the offices of key advocacy target people.

## **8. SKILLS AND TRAINING**

The skills shortage in the civil construction sector will continue to be a significant issue, particularly when the economic climate starts to turn around and infrastructure spending returns to more

normal levels. Subsequently, the Branch has increased its activities in the area of workplace sustainability and engineering skills deficiencies by promoting the skills criteria in contracts, and additional emphasis has been placed on promoting Certificate II, III and IV Civil Construction.

To support these moves the Training "Scope" of Civil Train Victoria has been extended to include these new initiatives. Further work has been completed to introduce a "Pre-Apprenticeship" training model; this can also be adjusted to provide a "Pre-Civil Employment" training package for those transitioning from other industry sectors to civil. The aim of both these initiatives is to provide attendees with a set of core skills to make them more "employable" in the sector; once they have been employed, they are also better equipped to follow on with their Cert III/IV training. Given the significant move of many "blue collar" civil employees to the mining and resources sectors over the past 12 months, these initiatives are seen as essential to refill this looming resource "hole".

In re-aligning Civil Train to better deliver training needs, a number of personnel changes have been undertaken to strengthen training delivery, enhance the quality of course materials, and improve the profitability of Civil Train to fund future course development. The effects of these changes are already being seen with the changes mentioned above.

During the year, the Board established the Next Age Group to enable our wise but aging members to stay connected and relevant, in order to facilitate a level of industry mentoring available to younger members growing their businesses. Whilst this initiative is in its fledgling stages, initial interest has been stronger than expected, and now that it is established, further work will be done to grow the group and advise to relevant companies, the capability of its members.

The Alliance Engineering Technical Skills Committee (AETSC) set up in 2010-11 to support the Bid for a Training Criteria in Contracts, has been restructured to provide Civil Train Victoria with a technical skills advisory panel. The Panel, chaired by Board Member Alex Lukac, is focused on identifying and prioritising skills development needs in the industry and hence providing direction to Civil Train on course development and/or improvements to better serve the industry.

Key statistics for the Civil Train Victoria business are:

- Even with changes to Government legislation, the number of training courses delivered were comparable with the previous year (282), with (287) courses delivered.
- Numbers of attendees were down from the previous year with an average of (11) participants per course, compared to (12.6) the previous year.
- A pre-employment program for persons interested in working within the Civil Construction Industry was introduced throughout 2011-12 with (8) programs being delivered, with an average of (12) participants. This program provided the participants with a set of skills that would ultimately lead to employment within the industry.
- Plant Operator Assessment Certification increased with (763) Green Cards and (1088) Non Plant Cards, giving a total of (1851) Plant Operator tickets issued. An increase of (19.4%) on the previous year.

## 9. CCF VICTORIAN AWARDS

In recognition of outstanding service to the CCF, and the industry as a whole, each year CCF Victoria presents the Ken Edgley Medal to either or both, an individual and/or a corporate member. These Awards are presented each year at the President's Luncheon held in November. For 2011, the Ken Edgley Award Winners were:

- Individual Award to: John Plumridge; Maw Civil P/L
- Company Award to: Delplant P/L





been made as a result of the recognition that the large majority of contractors involved in the program are Victorian.

Further development and enhancement of the Systems Templates, together with the streamlining of the administrative components of the Program's operation, are planned for the first half of 2012-13.

The key aspect of these changes is to ensure the operation of the systems is kept in line with current technologies and systems requirements.

## **12. INDUSTRIAL RELATIONS - HUMAN RESOURCES**

As has been the case for the past decade, this last year has seen a number of significant developments in the field of workplace relations and human resources management generally.

Some of the more significant of those developments are:

- The abolition of the Office of the Australian Building and Construction Commissioner and the transition to a new special division of the Office of the Fair Work Ombudsman called "Fair Work Building and Construction" with some modification of powers, but mainly performing the same primary function of regulating workplace relations compliance in the industry.
- The continued focus on sham contracting and increased levels of collaboration between government agencies like Fair Work Building and Construction, the Australian Taxation Office, the Australian Securities and Investments Commission and the Department of Immigration and Citizenship.
- New union enterprise agreement models with substantial increases in wages and conditions negotiated by unions with MBAV and NECA but not endorsed by CCF.
- From 1 July 2011 employers have had responsibility for Parental Leave payments under the Paid Parental leave Act 2010 and liaison with Centrelink in relation to those payments.

## **13. OCCUPATIONAL HEALTH AND SAFETY**

The Branch has again this year enjoyed the significant advantage of retaining external funding for the Field Officer OHS role from Incolink. This important role has delivered a number of initiatives to directly support members, and represent the interests of members, at relevant Health and Safety forums. Much of the work undertaken in this role is in direct response to member queries and requests for advice on particular issues.

During the first half of 2011-12, a particular emphasis was placed on alerting members to the expected changes from the proposed introduction of the Nationally Harmonised OHS legislation that the Victorian Government ultimately refused to implement as originally planned on 1<sup>st</sup> January 2012. During this period, the Victorian Field Officer spent considerable time assisting the CCF National Office with interpretation and advice on practical amendment to the draft documentation.

In addition, this role further assisted members in the provision of OHS consultancies to small businesses with fewer than 20 employees. This program, which is strongly supported by WorkSafe Victoria, enabled us to deliver 30 of these consultancies during the year.

## **14. ENVIRONMENTAL**

Similar to the OHS Officer role, the Field Officer Environment position is fully funded by EPA Victoria. This partnership has been instrumental in assisting members understand the nuances of working with contaminated fill and also provides a resource to advise members directly on matters of appropriate environmental management.

Two key initiatives were delivered during the year; the first being the co-development with EPA of new guidelines for managing contaminated fills. This program also required the broad

dissemination of information to contractors via a series of Awareness Forums, a number of these were held during the period, each of which was a strong success.

The second initiative was that of the finalisation of a Guideline for Machine Hygiene and the development of an "E Learning" training session for employees of contractors. This initiative was partially funded by the Department of Primary Industry and has seen strong usage by members, particularly those working in forested or park environments. The program has gained strong support from environmental and regulatory bodies in many States.

## **15. WORKFORCE SUSTAINABILITY**

The role of the Workforce Sustainability Project Officer has continued over the year with much of the focus being to support the Training Criteria project and the re-establishment of the Alliance Technical Skills Steering Committee into a more focused Civil Train Technical Advisory Committee (refer to the Skills and Training segment of this report).

Other initiatives achieved through this role include:

- Secured an additional \$50,000 from Melbourne Water to be invested in the Water Sensitive Urban Design (WSUD) Training Criteria Pilot, developed in conjunction with the Careers Officer, the initiative to provide members with direct assistance with skills need analysis and linking these requirements to the federally funded Workforce Skills Development Program.
- Work with Civil Train Victoria to expand the number of service providers for the delivery of Certificate IV in Civil Construction.
- Facilitated the commencement of a Proof of Concept Pilot for the Training Criteria Project; the initial project is being constructed by member company United Roads Pty Ltd.
- Established the Next Age Group for members and others in the industry that are transitioning into retirement, to maintain their links with the industry and provide support to Civil Contractors.
- Facilitated a number of seminars to assist women who work beside their husbands in the administrative areas of their respective businesses.

## **16. CAREERS DEVELOPMENT**

The directions of the Careers Development Program have been well maintained. The activities undertaken include:

- Development of an extensive careers promotion program being presented to over (40) Careers Expos, to heighten awareness of careers in the industry to over 150,000 students, teachers and parents who attend the expos.
- Working with CCF members to link enterprises with Australian Government training initiatives; recognising the importance of investing in their people to meet current and future workforce needs. Up-skilling their workforce now and over the next (5) years through the National Workforce Development Plan.
- VET in Schools Program has begun in the Sth Gippsland areas, with (15) students commencing in 2012, a first for the Industry.
- The promotion of School Based Apprenticeship Programs at secondary schools commenced and continued to grow.
- In 2012 the emphasis of this role has been changed to provide more of a "Trade Focus" (Certificate III/IV), and accordingly, networks have been developed with construction industry associations such as, MBA, ABBTF, Incolink, Glaziers etc. to assist the CCF increase this focus for the Civil Construction Industry.
- The Foresite Program, a Graduate Engineering Program, which was developed in 2010 was implemented again in 2011 with (13) students being placed with CCF contractor members for work experience.

## **17. INCOLINK FUNDING SUPPORT**

The civil construction industry makes significant contributions to Incolink on behalf of its employees. CCF, over the last six years, has accessed Incolink grants which are invaluable in covering the cost of resources to provide services to members.

In the 2011-12 year, CCF was fortunate to have the following roles fully funded from Incolink:

- Careers Information Field Officer
- Civil Construction Traffic Management Field Officer
- Workforce Sustainability Project Officer; and
- OH&S Field Officer

Regrettably, and as a direct result of the downturn in global stock markets, two of these roles will not be funded into 2012-13. CCF has, in recognition of the importance of these roles, been able to allocate funds to continue the roles listed above, with the exception of the Workforce Sustainability Project Officer role, which will be restructured and absorbed into other roles in the business.

## **18. ORGANISATIONAL DEVELOPMENT**

Continuous improvement in the organisation's processes has been a focus of the Branch's restructure.

Key achievements for the 2011-12 year include:

- Finalisation of the implementation of the new National EXOBIZ Accounting System
- Higher level training of staff in Student Database Systems, Australian Quality Training Framework (AQTF) processes and the National Training System
- Implementation of a number of aspects of the Staff Training Needs Analysis
- A partial review and amendment of the Civil Train Policy Manual
- Successful full systems certification audit of the Branch's ISO 9001 Quality System
- Complete review of the Branch's Risk Management Plan
- Implementation of the IT Strategy
- Review of pre-existing arrangements for the provision of workplace relations services
- A review and rationalisation of all consultancy services provided to the Branch
- Implementation of a mechanised telephone/reception system
- Review and updating of all key staff position descriptions and employment contracts

The continuous improvement of the organisation will be a key focus in the coming year, with a number of processes and policies being identified as needing progressive review and rationalisation.

## **19. THE FUTURE**

The Branch is now in the early consolidation stage following the restructure, and as such whilst much work has been done, there remains a considerable body of work to be completed during the next 12 months to configure the organisation for the longer term, as the pre-eminent service provider for the civil industry.

The outstanding work includes, but is not limited to, the following activities:

- Continue to improve the governance and transparency of business operations
- Continue to assist members and reduce the financial impost of doing business on contractors
- Continue to work with stakeholder groups to streamline contractor engagement techniques
- Maintain and grow our high profile in regard to our advocacy and representations activities
- Further improve our branding

- Further develop the CCF State Conference and investigate the opportunity to integrate it with the conferences of related associations
- Finalise the Training Criteria Pilot Projects, and demonstrate the "worthiness" of the concept to State and Local Government organisations
- Assist members to respond to new legislative requirements as they may arise
- Provide members with a set of guidance tools to assist in the management of the effects of Drugs and Alcohol in the workplace
- Further enhance communications to members
- Increase Fee for Service revenue base and margin
- Further influence clients to only engage systems certified contractors
- Continue the development of tools for members in relation to dealing with health and safety, and managing the environment
- Continue to be vigilant to ensure that our governance, risk management, strategic planning and administrative functions meet contemporary best practice
- Complete the cultural transition of the business
- Successfully transition the business into the new premises
- Achieve additional funding grants to backfill those ceasing to be available to CCF
- Continue to establish forums and committee structures that ensure that contractor issues are identified and challenges addressed
- Review the training course cost structure and report appropriate strategies to the Board, to ensure delivery of a surplus to support future development in this business unit

Your CCF Victorian Branch has completed a financially successful 2011-12 financial year, in the face of a number of challenges. With the change mechanisms already completed, or in plan, the Branch faces a brighter, stronger future with a clear culture of providing core services to members in a timely and professional manner.

In representing your CCF Victorian Board and Branch Staff, we appreciate your ongoing support of the CCF and the strategic directions the Branch is undertaking.



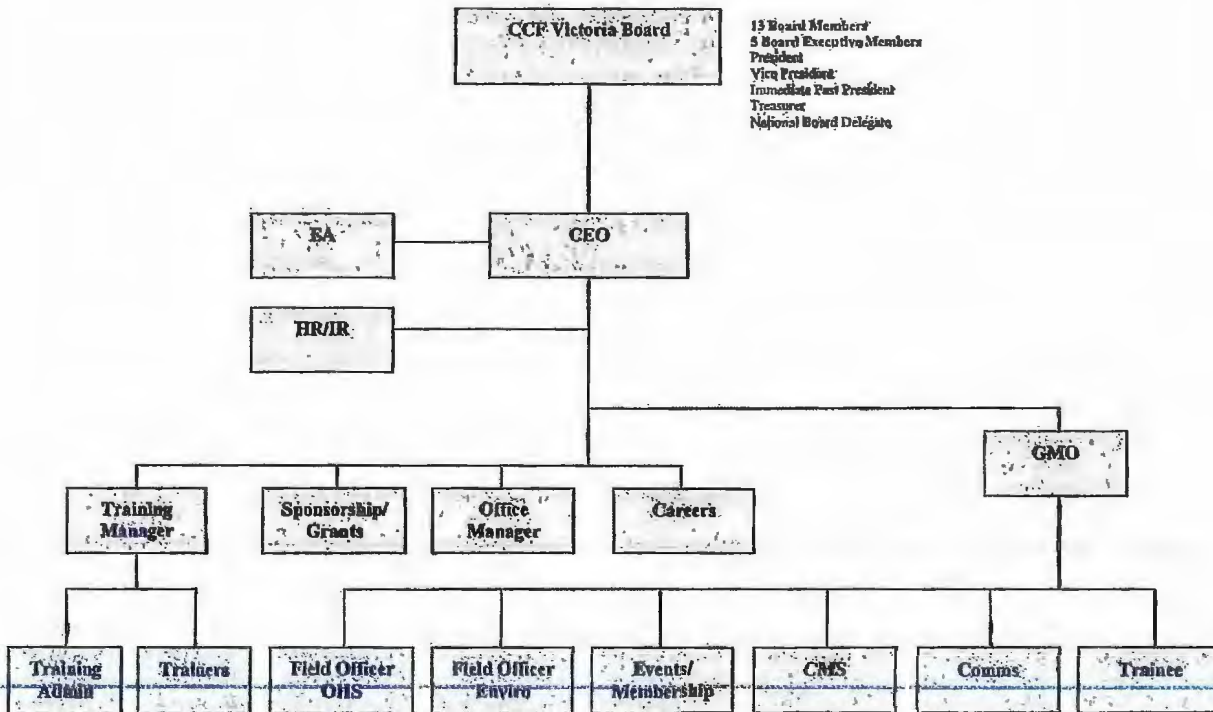
Andrew Mahar  
Branch President



John Stewart  
Chief Executive Officer

APPENDIX 1

CCF Victoria Organisational Chart (Current)



**From:** [John Stewart](#)  
**To:** [PFEIFFER, Robert](#)  
**Subject:** Non Lodgement of Documents  
**Date:** Thursday, 24 January 2013 11:26:49 AM

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Good morning Robert, further to my telephone message, I wish to apologise for the relevant documents not being forwarded to you within the required timeframe, the fault is ours and arises from a transition of responsibilities between two employees last October, the documents were in fact prepared ready for forwarding, however the actual posting of the documents was overlooked.

The required documents have been posted to you yesterday (23<sup>rd</sup> January).

Regards



**JOHN STEWART**  
Chief Executive Officer

**CCF VICTORIA BRANCH**

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**From:** [PFEIFFER, Robert](#)  
**To:** ["ccfvic@civilcontractors.com"](mailto:ccfvic@civilcontractors.com)  
**Subject:** To Mr John Stewart, CEO  
**Date:** Tuesday, 22 January 2013 4:16:45 PM  
**Attachments:** [CCF-Vic 7.4.pdf](#)

---

Dear Mr Stewart,

Please see attached letter.

Regards,

ROBERT PFEIFFER  
Senior Adviser  
Regulatory Compliance Branch

Fair Work Commission  
Tel: 03 8661 7936  
Fax: 03 9655 0410  
[robert.pfeiffer@fwc.gov.au](mailto:robert.pfeiffer@fwc.gov.au)

11 Exhibition Street, Melbourne Victoria 3000  
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FAIR WORK  
COMMISSION

22 January 2013

Mr John Stewart  
Chief Executive Officer  
Civil Contractors Federation  
Victorian Branch

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

Dear Mr Stewart,

### **Failure to lodge audited financial report - [FR2012/312]**

Our records indicate that the Victorian Branch of the Civil Contractors Federation (the reporting unit) has failed to lodge its audited financial report for the financial year ended 30 June 2012 despite Fair Work Australia (as it was) reminding the reporting unit of its obligation to do so by letter addressed to Mr Seiffert, CEO, on 6 August 2012.

The reporting unit was advised on 6 August 2012 that section 268 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires reporting units to lodge an audited financial report with the Fair Work Commission within a maximum of 6 months and 14 days of the end of their financial year (that is, no later than 14 January 2013).

Paragraph 7.4 of the FWC Regulatory Compliance Policy (a copy of which is attached) states as follows:

- 7.4 Where the possible contravention involves failure by an organisation, branch or reporting unit to lodge a matter with FWC in accordance with the timeframes specified in the RO Act, RO Regulations or the rules of the organisation, branch or reporting unit:*
- a. The Regulatory Compliance Branch will contact the organisation, branch or reporting unit, by telephone and/or in writing, within two weeks to advise that lodgement is overdue;*
  - b. If lodgement has not occurred within one month of the timeframe specified in the RO Act, RO Regulations or rules, the Regulatory Compliance Branch will advise the organisation, branch or reporting unit that it is seeking voluntary compliance within a specified timeframe and that, in the absence of such voluntary compliance without cause, FWC will commence an inquiry or investigation or initiate court proceedings; and*
  - c. If lodgement has not occurred within the timeframe specified in the correspondence referred to in paragraph b and the organisation, branch or reporting unit has not been able to show cause regarding why it should not do so, FWC will commence an inquiry or investigation or initiate court proceedings in accordance with this policy as soon as reasonably practicable.*

Section 331 of the RO Act empowers the General Manager of the Fair Work Commission to investigate compliance by a reporting unit (such as the Victorian Branch of the Civil Contractors Federation), its officers, employees and auditor(s) with:

- Part 3 of Chapter 8 of the RO Act;
- the reporting guidelines made under that Part;
- the regulations made for the purposes of that Part;
- the Civil Contractors Federation rules regarding finances and financial administration; and
- civil penalty provisions of the RO Act (see s.305).

In accordance with the processes specified in paragraph 7.4(b) of the *FWC Regulatory Compliance Policy* which are set out above, the reporting unit is required to lodge its outstanding audited financial report with the Fair Work Commission by no later than 14 February 2013.

Should the reporting unit fail to do so without reasonable cause, the Fair Work Commission may commence an investigation under s.331 of the RO Act without further notice.

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

Yours sincerely,



Robert Pfeiffer  
Senior Adviser  
Regulatory Compliance Branch