



22 April 2014

Mr Andrew Mahar  
President  
Civil Contractors Federation-Victorian Branch  
via email: [ccfvic@civilcontractors.com](mailto:ccfvic@civilcontractors.com)

Dear Mr Mahar,

**Civil Contractors Federation-Victorian Branch  
Financial Report for the year ended 30 June 2013 [FR2013/217]**

I acknowledge receipt of the financial report of the Civil Contractors Federation-Victorian Branch. The documents were lodged with the Fair Work Commission on 27 September 2013. Additional information was provided by Anushan Jayaratne on 9 April 2014.

The financial report has now been filed.

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

Please note that the financial report for the year ending 30 June 2014 may be subject to an advanced compliance review.

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 Fair Work Commission will confirm these concerns have been addressed prior to filing next year's report.

**Auditor's statement: declaration regarding going concern**

Item 45 of the Reporting Guidelines requires an auditor to include in their statement a declaration that as part of the audit of the financial statements they have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate. This declaration was not included in the auditor's statement.

If you have any queries regarding this letter, please contact me on (03) 8661 7942 or via email at [rebecca.lee@fwc.gov.au](mailto:rebecca.lee@fwc.gov.au).

Yours sincerely,

Rebecca Lee  
Regulatory Compliance Branch

**From:** [Anushan Jayaratne](#)  
**To:** [Orgs](#)  
**Subject:** Explanation for Financial Note- Civil Contractors Federation Vic  
**Date:** Wednesday, 9 April 2014 10:26:07 AM  
**Attachments:** [image001.gif](#)  
[image002.gif](#)  
[image003.jpg](#)  
[image004.jpg](#)  
[image005.jpg](#)  
**Importance:** High

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Hi Rebecca

Further to the clarification requested in relation to the accounting treatment adopted for Membership Subscription Revenue in our Audited Financial Statements of 30.06.2013, I wish to declare the following additional explanation to item (I) of Note 1.

The Annual Membership Subscription Revenue is recognised under Accrual Method of Accounting and is recorded in Financial Statements net of tax(GST).

If further details are needed please be in contact.

Regards

**Anushan Jayaratne**

Finance Manager

**CCF VICTORIA BRANCH**

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**Civil Contractors Federation  
(Victorian Branch)**

**2013 Annual General Meeting Notice**

**Friday 13<sup>th</sup> September, 2013**

22<sup>nd</sup> August 2013

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 Friday 13<sup>th</sup> September, 2013.

Meeting details are set out below and the Agenda for the meeting is attached. Also attached are the Minutes of the 2012 Annual General Meeting and the 2012/2013 Annual Report which includes the full financial reports and Auditor's Report for the year ended 30<sup>th</sup> June, 2013. These documents will also be available to Members at the AGM for approval.

- Date: Friday, 13th September, 2013
- Time: 1:30pm during lunch at the annual CCF Corporate Golf Day
- Venue: Victorian Golf Club  
Park Road, Cheltenham Vic 3192

The AGM will be held as part of the annual CCF Corporate Golf Day on 13<sup>th</sup> September 2013

Attachments:

- Meeting Agenda
- Minutes of 2012 Annual General Meeting
- 2012/13 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 forward a request to Anushan Jayaratne on [ajayaratne@civilcontractors.com](mailto:ajayaratne@civilcontractors.com)

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

Yours sincerely

John Stewart  
Chief Executive Officer



**Civil Contractors Federation  
(Victorian Branch)**

**2013 Annual General Meeting**

**Friday 13th September, 2013**

**At Victorian Golf Club, Cheltenham, commencing 1:30pm**  
(during lunch at the annual CCF Corporate Golf Day)

**Agenda**

1. Welcome
2. Apologies
3. Adoption of Minutes of 2012 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

Victorian Golf Club, Park Road Cheltenham Vic 3192

13<sup>th</sup> September 2013

### 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 2013 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:
  - ?  
?
- 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: **To Receive the Apologies**
  - Those in favour?
  - Those against?
- I declare the motion carried.

- Can I have a motion that the Audited Financial Statement for the year ending 30 June, 2013 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, 2013 be accepted.
  - Those in favour?
  - Those against?
- I declare the motion carried.

## **Item 6: Appointment of Auditor**

**President:**

- Item 6 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 2013/14 financial year?
- Is there a seconder?
  - Those in favour?
  - Those against?
- The motion is carried.

## **Item 7: 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 two 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 Peter Maguire as Honorary Assistant Returning Officer for 2013/14.
- Is there a seconder?
- Are there any other nominations?



## Annual General Meeting

Held on Friday 13<sup>th</sup> September 2013 @ 2.00pm  
at the Victorian Golf Club  
Park Road, Cheltenham Vic 3192

# Minutes of Meeting

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### **Present:**

- President            Andrew Mahar
- Vice President    Dominic Di-Fazio
- Treasurer           Andrew Simpson

### **Board Members:**

- Peter Rodrigues
- John Harvey
- Cliff Smith

### **Officers:**

- John Stewart – Chief Executive Officer
- Mark Binks – General Manager, Operations
- Rob Garrard – General Manager, Training Services
- Anushan Jayaratne – Branch Accountant

### **Members/Observers:**

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

## 1. Welcome

CEO, John Stewart, welcomed everybody to the meeting and introduced the president, Andrew Mahar, to conduct the meeting.

## 2. Apologies

**Motion:** That the apologies from Gary Gardiner and John Plumridge be received.

**Moved:** Cliff Smith  
**Carried**

**Seconded:** Andrew Simpson

## 3. Minutes of the Previous Annual General Meeting

**Motion:** That the Minutes of the Annual General Meeting held on 16<sup>th</sup> October 2012 be adopted as a true record of the proceedings of that meeting.

**Moved:** Ian Sowerby  
**Carried**

**Seconded:** Andrew Simpson

## 4. 2012/13 Annual Report

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

**Moved:** Cliff Smith  
**Carried**

**Seconded:** John Harvey

## 5. Presentation of 2012/13 Annual Statement of Accounts

**Motion:** That the Audited Financial Statement for the year ending 30<sup>th</sup> June 2013 be accepted.

**Moved:** Andrew Simpson  
**Carried**

**Seconded:** Peter Rodrigues

## 6. Appointment of Auditor

**Motion:** That the current Auditor, Michael Shulman of Stannards Accountants and Advisors Pty Ltd, be re-appointed as Auditor for the 2013/14 financial year.

**Moved:** Ian Sowerby  
**Carried**

**Seconded:** Andrew Simpson



## **7. Appointment of Returning Officers**

**Motion:** That Ken Edgley be appointed as Honorary Returning Officer, and Peter Maguire as Honorary Assistant Returning Officers for 2013/14.

**Moved:** Cliff Smith  
**Carried**

**Seconded:** John Harvey

## **8. Declaration of Office Bearers**

President, Andrew Mahar, announced the outcome of the recent Board election conducted in accordance with the provisions of the *Fair Work (Registered Organisations) Act 2009* and the rules of the organisation, by welcoming the new Board members – Domenic Di-Fazio, Cliff Smith, Peter Rodrigues, John Harvey, Steve Traicevski and Jay Miller – and then acknowledged and thanked the retiring Board Members – Ian Sowerby, John Lander, Sean Delaney and Glenn Johnson – for their contributions and commitment to the Board,

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

**Moved:** Andrew Simpson  
**Carried**

**Seconded:** John Harvey

## **9. General Business**

There were no General Business items.

## **9. Meeting Closed: 2.25pm**



## 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).

## **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 22<sup>nd</sup> August 2013; and
- that the full report was presented to the General Meeting of Members of the reporting unit on 13<sup>th</sup> September 2013; in accordance with section 266 of the RO Act.

Signature

Date: 26<sup>th</sup> September 2013



# ANNUAL REPORT 2012/13

Victorian Branch

**CIVIL CONTRACTORS  
FEDERATION**

Address : 1/322 Glenferrie Road, Malvern, 3144

Telephone: 03 9822 0900 Facsimile: 03 9822 0022 Email: [ccfvic@civilcontractors.com](mailto:ccfvic@civilcontractors.com)

Website: [www.civilcontractors.com](http://www.civilcontractors.com)

## **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 2012-13.

The year to 30th June has seen the Branch face a number of challenges in what has been described as one of the toughest economic climates in 20 years. In spite of this membership, whilst reducing by some 42 members across the categories, has been maintained at levels higher than anticipated. Significant work has been done to bolster member services and place particular emphasis on resolving the day to day issues that are impacting members, whilst maintaining pressure on key advocacy issues.

In addition, in October 2012 the Branch was relocated to significantly more functional premises in Malvern to further enable us to deliver greater member information sessions in an "in house" environment rather than deliver these via external accommodation.

The Branch has benefited from the maturation of the strategies put into place in the previous year which have delivered a stable economic outcome for the year.

The Board for 2012/13 has seen a number of changes with 4 new members; however the strong governance and strategic review processes have remained in place to ensure the Branch maintains its focus on core deliverables and compliance.

## **2. THE CONSTRUCTION CLIMATE**

As previously mentioned, the Victorian Civil Construction industry has seen further decline within a number of specialist sectors, to a position where tender opportunities quite possibly at close to their lowest ebb for 20 years, yet other sectors remain reasonably strong, however up to 15% off the peak of 2010/11.

The sectors possibly worst hit include the land development (domestic housing and industrial development) and significant road construction via VicRoads. In both cases the decline has resulted from poor economic planning by the previous and current Governments in ceasing housing grants and losing sight of the need for a continuous flow of infrastructure projects.

In most sectors, contractors are facing a severe decline in the tender win/loss ratio as competition for lower levels of work heightens.

On a brighter note, several specialised sectors of the market have remained stable or are experiencing short term growth including the non development aspect of the water sector, airports and ports.

The 12 month forward view for the industry indicates a continuing tight market with a slow improvement trend towards the 3<sup>rd</sup> and 4<sup>th</sup> quarters of the new financial year as recently announced projects start to come online.

## **3. THE CCF VICTORIAN BRANCH**

Following the restructure of the business over the 2012 calendar year in the three key business aspects of Operations, Training and Finance and Governance significant improvement in service delivery financial management and governance have been achieved Further improvements are expected as the business model matures and new staff reach their full potential.

The current CCF Victoria Organisational Chart can be viewed at Appendix 1, Page 14.

In general trading terms the business achieved an improved trading position across the financial year with a number of expense reduction strategies put in place to reduce operational costs.

‘The membership of the Branch has seen a reduction overall of 42 members, each of whom have been contacted by staff to ascertain the actual reason for resignation; generally the reason given has been that economic circumstances have caused the business to restructure and reduce costs.

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 Members Alex Lucak, Marcus Van Enk and Rod Watson and Tony Croagh were accepted during the year, they were replaced by the Branch's first female Board Member in Sophie Brown of Cut and Fill, Glenn Johnson (Fulton Hogan) and Cliff Smith (Lance Smith Excavations). In light of 2013 being a Board election year, we are pleased to advise that nominations have been received from 13 persons including nominations for "Officer" roles.

The number of Board Meetings attended out of the 10 Board Meetings held, is shown in the table below, please note several Members joined the Board part way through the year hence the lower number of meetings attended.

| Board Member Name | Position Held       | Representative Company          | Meetings attended |
|-------------------|---------------------|---------------------------------|-------------------|
| Andrew Mahar      | President           | Pipecon Pty Ltd                 | 9                 |
| John Lander       | Vice President      | Jaydo Constructions Pty Ltd     | 9                 |
| Andrew Simpson    | Honorary Treasurer  | Simpson Constructions Pty Ltd   | 7                 |
| Gary Gardiner     | Nat. Board Delegate | Civilworx Constructions Pty Ltd | 8                 |
| Ian Sowerby       | Board Member        | Sure Constructions Pty Ltd      | 5                 |
| Rohan Davidson    | Board Member        | Winslow Constructors Pty Ltd    | 6                 |
| Marcus Van Enk    | Board Member        | JHL Civil Pty Ltd               | 6                 |
| Tony Croagh       | Board Member        | Fulton Hogan Pty Ltd            | 1                 |
| Jeff Gallus       | Board Member        | BMD Constructions Pty Ltd       | 6                 |
| Sean Delaney      | Board Member        | Delplant Pty Ltd                | 8                 |
| Alex Lukac        | Board Member        | Abigroup Pty Ltd                | 3                 |
| John Plumridge    | Board Member        | Maw Civil Pty Ltd               | 5                 |
| Sophie Brown      | Board Member        | Cut & Fill Pty Ltd              | 5                 |
| Glenn Johnston    | Board Member        | Fulton & Hogan                  | 4                 |

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, a summary of which was provided to all members earlier in the year.

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.

The Forward Business Plan was substantially reviewed in February 2013 to reflect the change in strategic direction to a more member service based set of deliverables; the deliverables in this Revised Business Plan are being steadily progressed.

### **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 (Coghlans) 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. In addition there is greater emphasis on conducting internal audits on a regular basis to strength the finance reporting and compliance requirements.

### **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                                       | - | 633 | (target 680)            |
| • 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 2011/12 Level                  | - |     | Achieved                |

## **5. FINANCIAL PERFORMANCE (AUDITED)**

The Branch Board in May each year approves the annual Budget for operations, performance is reviewed against this budget each alternate month by the full Board and each month by the Board Executive. During the course of the July 2012-December 2012 period it became evident that revenue predictions were not going to be achievable in light of the significant downturn in economic activity. Subsequently in January 2013 the Management Team revised the budget from both a revenue and expense perspective and put into place cost reduction strategies to reflect reducing revenues.

Notwithstanding these strategies it became evident through a series of audits that a number of anomalies had occurred in the funded training processes across the year 2011/12 that would require the reimbursement of some funds. Under the guidance of the Branch Financial Auditors (Stannards) appropriate allowance for this re-imbursement has been applied within the Branch financials. It should be noted that the staff responsible for these anomalies exited the business during the period February 2012-May 2012.

The final audited result for the business is a surplus of \$45,125 from revenues of \$3,197,949 which is in fact 71% over the midyear budget forecast of \$26,386. The key statistics are shown below:

- |                         |   |
|-------------------------|---|
| ○ Surplus on operations | \$45,125  |
| ○ Nett Equity           | \$1,544,017 representing a \$45,125 Improvement on FY 2011/12 |



|   |              |                     |
|---|--------------|---------------------|
| ○ Cash Holding                                    | \$1,569,520  |                     |
| ○ Total Employment Costs as % of Revenue          | 36%          | (Target < 35%)      |
| ○ Liquidity Level                                 | 1.68x        | (Target > 3x)       |
| ○ Trading Cover                                   | 11.99 Months | (Target > 3 months) |
| ○ Quick Ratio                                     | 3.78x        | (Target > 1.5x)     |
| ○ Debtors Days                                    | 43.20 Days   | (Target < 36 Days)  |
| ○ Membership Income as % of Total Employment Cost | 89%          | (Target > 70%)      |
| ○ Training Income / Wages Ratio                   | 62%          | (Target > 30%)      |
| ○ Return on Earnings:                             |              |                     |
| ➤ Training  | -23%         | (Budget > -23%)     |
| ➤ Global  | 2.9%         | (Budget > 1.7%)     |
| ➤ Retained Earnings                               | \$1,542,017  |                     |

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 2012-13, has provided a significant level of funding (\$174,000) 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 again enjoyed growth in cash holdings, these are invested in accordance with the Branch's investment strategy, in Cash Term Deposits.. Following the mid year (December 2012) review of these investments, the Board determined that all reserves would be re-invested in fixed term cash deposits with the Commonwealth Bank of Australia.

## 6. MEMBER SERVICES

Member service delivery over the year continued strongly through our Field Officers (OHS and Environmental a) together with 37 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. A review of the events and publications will be undertaken in Q1 2013-14 to evaluate the success of these activities with Members and to identify opportunities for improvement.

The new Victorian website specifically designed for mobile devices was released during the year which means that with just two touches on the phone screen members and other customers will be able 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 Victorian Civil Construction Industry Alliance
- The Victorian 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
- The Municipal Works Officers Associations

### **Membership Statistics**

Following are the key statistics of the CCF Victorian Membership.

|                                 |     |
|---------------------------------|-----|
| 1. Total Victorian Membership:  | 633 |
| 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. ADVOCACY**

The Victorian Coalition Government, now in its third year, (State elections are due in 2014) has started to understand the need for ongoing investment in infrastructure and has committed

funds to a number of projects into 2013/14, unfortunately with the time delays in forward planning a number of these will not see tenders called until the second half of the financial year. As a result, advocacy efforts have been largely concentrated on ensuring awareness at ministerial and senior Government Official levels of the need to get projects moving.

Similarly much work has been done to facilitate the reduction in "Red Tape" issues that have long been affecting the industry, our strong relationships with Victoria's Red Tape Commissioner John Lloyd are paying dividends with a significant number of issues having been progressed to government through his office.

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.

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 2013 State Budget and potential solutions to offset these effects.
- The Minister for Planning on Development Planning and Major Project Planning and the reduction of planning anomalies in the Local Government area
- The Parliamentary Secretary for Small Business on the cost of Red Tape to Small Business and the subsequent involvement with the “Red Tape Commissioner”
- The Minister for Infrastructure and planning 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 disputation.
- The Metropolitan Retail Water Authorities on matters such as backfill specifications, Contractor Accreditation Deeds, the revision of the Water and Sewer Codes and the guidelines surrounding CCTV verification of pipeline integrity.
- All relevant senior staff of VicRoads in relation to issues affecting members across the areas of construction and road maintenance.
- 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**

With a significant change in staffing within Civil Train in 2012, a restructure has taken place to align with the strategic direction of the business. The restructure has meant personnel changing roles and learning new skills, which in turn had an impact on productivity levels within the first half of the financial year.

With the economic climate during the year not showing any improvement and the restructure of Civil Train, a significant focus was placed on establishing Civil Train in the marketplace as a preferred supplier of training for the industry.

During the year, Civil Train developed a marketing strategy to increase the uptake of scheduled and on site courses with a greater focus on delivering to Regional locations. The model was aligned to address the expectations from a number of industries and groups to have formal recognition of skills and knowledge when working on site. This has seen an increase in Regional contractors taking up training in a number of areas compared to previous years.

Also, as part of the marketing strategy was the development of the Civil Train website to allow users easier access and functionality to navigate all the services offered to members and non members. The use of social media as a marketing medium has seen the introduction of a Blog, Facebook and eventually Twitter and LinkedIn. Client satisfaction surveys are being undertaken to gauge the changes have made to customer usability. It is expected these initiatives will increase the uptake of training services across Victoria.

As part of Civil Train's compliance requirements, a number of course were updated and validated for compliance and currency of information. Additional professional development course were introduced in the latter part of the year to supplement course utilization.

The down turn within Civil Construction Industry continued to impact on the number of courses delivered, significantly in the first six months. In the second half of the financial year, there was an increase in income derived from increased staff capacity and targeted marketing initiatives.

- Whilst the number of courses delivered was 153, down by 47% from the previous year, with an average of 11 participants per group, the profitability of these courses was increased.
- Card production was down from previous years by 14%, based on the reduced number of courses delivered, with 1605 cards produced for the year.
- On Site courses delivered, increased significantly by 55% in the second half of the year reflecting our ability to change delivery techniques to match member expectations.

## **9. CCF VICTORIAN AWARDS**

The CCF Victorian Training Awards took on a new format for 2012 with the presentation of awards for excellence being expanded and presented in its own right. The awards recognised the achievements of those undertaking or promoting training within the Civil Construction industry. This included persons undertaking apprenticeships, vocational education and tertiary studies. It also recognized CCF members that had made an outstanding contribution to the development of their own staff.

Award winners for 2012 were:

Ian Jacka Award: Outstanding Graduate in Civil Construction – Dusha Dayananda

Geoff Brown Awards

1<sup>st</sup> year Certificate III in Civil Construction – Christopher Mundy from Cut & Fill

2<sup>nd</sup> year Certificate III in Civil Construction – Damian Scire from Jaco Trenching & Boring

3<sup>rd</sup> year Certificate III in Civil Construction – Joel Hutchison from Whelan Group

Most outstanding 1<sup>st</sup> year Female student in Civil Engineering – Vy Thao Dang

Certificate IV in Civil Construction Supervision VET – Daniel Tabone from Winslow Constructions

Diploma of Civil Construction Management VET – Kiri Fausett from Drapers Civil Contracting

CCF Victoria awards

Best Final Year Apprentice, Roads – Christopher Peisley from Sprayline

Best Final Year Apprentice, Water – Nicholas Burr from Sure Constructions

Training Employer of the Year, Roads – Sure Constructions

Training Employer of the Year, Water - Delplant

## The CCF National Earth Awards

The Victorian aspect of these National Awards was once again a significant success for the Branch, with 21 entries across 5 Awards categories. At a spectacular dinner on 17<sup>th</sup> August 2012, Victorian Earth Awards were presented to the following organisations:

| Category   | Category Winner                           | Project Title                         |
|------------|---|---------------------------------------|
| Category 1 | Contek Constructions                      | Wicks Reserve Bio Infiltration System |
| Category 2 | Simpson Construction Co.                  | Flinders Pier                         |
| Category 3 | Barwon Water Alliance                     | Colac Pipeline                        |
| Category 4 | Canteri Bros                              | Revitalising Central Dandenong        |
| Category 5 | Melbourne Main Sewer Replacement Alliance | Melbourne Main Sewer Replacement      |

Once again, the achievements and the demonstration of innovation within the civil construction sector has been recognized with these peer-judged awards. The Award submissions covered a wide range of projects in a variety of environments which clearly demonstrated the importance and integral role the civil industry plays in the all communities.

In 2013, despite the economic climate some 19 entries were received for the Victorian chapter of the Awards, at the time of drafting this report the 2013 Awards had not been presented.

## 10. SPONSORSHIP

A significant component of support to CCF Victoria comes directly from the Associate member base. This support varies from direct sponsorship of events and functions to providing individual member support in particular areas of specialisation.

This year the high level of both direct and "In Kind" support to CCF and its members from our Associate members continued. Whilst it is difficult to quantify the in kind aspect of support, of the total sponsor income, it should be noted that the direct support via sponsorship of events and functions exceeded \$210,000.00. The number of sponsors and supporters continues to grow each year, and it is pleasing to receive feedback that our contractor members greatly respect the work done and the support given by our Associate members.

A dedicated person was appointed towards the end of 2012 to further build and maintain relationships with sponsors, with a view to identifying new initiatives to grow the Associate member base and enable greater levels of direct and in kind support to the membership that are yet to be realised. Some of the initiatives to date include developing new sponsorship opportunities outside of the traditional event activities, to include other services provided to contractor members.

## 11. CONTRACTOR MANAGEMENT SYSTEMS PROGRAM

In a key initiative, the Contractor Management Systems Business Unit was relocated back into the Victorian Office on 2<sup>nd</sup> July 2012, after a two year period at the National Office. This move has seen the National Business Unit return to profitability across the year. In turn these "profits" have been re-invested into upgrading the systems documentation to reflect the requirements of the nationally harmonized Health and Safety Legislation (relevant in all States

and Territories except Victoria and Western Aust.) and in the re-development of the systems software package for the highly respected CCF-IMS.

Across the year the level of Systems Certification reduced particularly as a result of businesses either restructuring their business into “subcontract providers” or moving to a higher level of systems certification to compete on larger contracts.

It is also evident that system sales to new entrants slowed considerably in the latter half of the year, commensurate with a declining economic climate.

The Business Unit has set substantial goals to deliver a new “Cloud based” CCF-IMS in the first half of the new financial year, and in order to fund the project application was made in May 2013 to the Victorian Department of Business and Innovation for a grant of \$285,000, which will be supplemented by a CCF contribution of up to \$95,000 (this will be supported by the Contractor Management Systems Business Unit). At the time of drafting no announcement had been forthcoming on the outcome of the Grant Application.

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

This year has seen the introduction of the Victorian “Construction Code Compliance Unit” under the chairmanship of Nigel Hadgkiss the former Australian Building and Construction Commissioner under the Howard Government. This has brought some stabilisation to the industrial scene, however has also brought a requirement for all tenderers to submit both an industrial relations and health and safety management plan with government tenders.

The Branch through its providers Ridgeline HR, has continued to assist members with HR/IR queries and provide extensive services in the development and negotiation of Enterprise Agreements, many of which came up for renewal during the year.

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

The Branch has again 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, to provide the civil construction industry a voice in shaping relevant regulatory policies and codes of practice, and feedback on issues affecting the industry to appropriate representative committees. In addition, the role undertakes a number of activities in direct response to member queries and requests for advice on particular issues.

During 2012-13 the OHS Field Officer developed a civil sector specific Drug and Alcohol Awareness Program and associated support material which was delivered to the membership base at regional meetings across the state. In addition, a working at heights training program and awareness campaign was implemented in conjunction with the CCF’s training department.

## **14. ENVIRONMENTAL**

Similar to the OHS Officer role, the Field Officer Environment position was partially externally funded by EPA Victoria, covering the first quarter of 2012-13. This partnership has been instrumental in assisting members understand the nuances of working with contaminated landfill and also provides a resource to advise members directly on matters of appropriate environmental management. Although funding from EPA ceased in October 2012, the CCF maintained this position as a valuable resource to assist our members in this area. After a delay in approval of funding submissions in the EPA, funding for this position has once again been secured for 2013-14 from EPA Victoria.

Building on the good work produced by this position in 2011-12, the awareness program in relation to managing contaminated sites continued, along with the production of a new CCF publication outlining the process and a checklist for assessing potentially contaminated sites.

## **15. 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.

## **16. MEMBER COMMUNICATIONS**

A review of how we communicate with members commenced towards the end of 2012-13. We are evaluating the channels of communication including the web site, eNews, emails and the Bulletin magazine. A key objective in 2013-14 will be to deliver improved value to our members through better information delivery and member-only access to appropriate industry information and services.

We are also investigating new services for members such as buying arrangements to provide members with discounts on selected products and services from Associate members, to give additional value for membership with CCF.

One of the key objectives for 2013-14 will be to provide additional services and improved industry information to assist members in running their businesses and be successful.

## **17. EXTERNAL FUNDING SUPPORT-**

CCF for some years has been able to broker funding support for a number of positions that are key member support roles. The two principle sources of this funding are Incolink and The Environment Protection Authority (Victoria).

In June 2012 we were advised that as a result of the significant downturn in global stocks, and the subsequent effect on returns from Incolink's investments, they would not be able to fund all positions previously supported; unfortunately as a result, CCF's funding from this source reduced by \$315,000 or two positions. Whilst one position was lost from the business the Branch was able to absorb the funding of the other role.

In addition to the Incolink funding, the Branch applied to EPA Victoria for an extension to the funding received over the previous three years for the Environmental Field Officer role, this funding ceased in October 2012, due to the protracted assessment of applications, CCF was again forced to absorb the costs of this role until 30<sup>th</sup> June 2013 when a limited level of funding for this role was restored.

## 18. ORGANISATIONAL DEVELOPMENT

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

Key achievements for the 2012-13 year include:

- Finalisation of the implementation of the new National EXOBIZ Accounting System and the consolidation of the finance function inhouse.
- 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. SUMMARY

The Branch has completed a strong year of achievement in a year of significant economic downturn for the industry and is well placed to continue strengthening its already strong service delivery to members. It is perhaps important to reflect on the key items identified in the 2011/12 Annual report as requiring completion in the 2012/13 year, our report on the completion of these follows:

| <b>We said we would:</b>  | <b>Was it delivered:</b> |
|---|--------------------------|
| Continue to improve the governance and transparency of business operations  | <b>Yes</b>               |
| <ul style="list-style-type: none"> <li>• Continue to assist members and reduce the financial impost of doing business on contractors</li> </ul>                                   | <b>Yes</b>               |
| <ul style="list-style-type: none"> <li>• Continue to work with stakeholder groups to streamline contractor engagement techniques</li> </ul>                                       | <b>Yes-Ongoing</b>       |
| <ul style="list-style-type: none"> <li>• Maintain and grow our high profile in regard to our advocacy and representations activities</li> </ul>                                   | <b>Yes</b>               |
| <ul style="list-style-type: none"> <li>• Further improve our branding</li> </ul>  | <b>Yes</b>               |
| <ul style="list-style-type: none"> <li>• Further develop the CCF State Conference and integrate with major equipment Field Days.</li> </ul>                                       | <b>Yes; Delivered</b>    |
| <ul style="list-style-type: none"> <li>• Finalise the Training Criteria Pilot Projects, and demonstrate the "worthiness" of the concept to State and Local Government.</li> </ul> | <b>Yes ; delivered</b>   |



|   |                            |
|---|----------------------------|
| <ul style="list-style-type: none"> <li>• Assist members to respond to new legislative requirements as they may arise</li> </ul>   | <b>Yes-Ongoing</b>         |
| <ul style="list-style-type: none"> <li>• Provide members with a set of guidance tools to assist in the management of the effects of Drugs and Alcohol in the workplace</li> </ul>                           | <b>Yes; Delivered</b>      |
| <ul style="list-style-type: none"> <li>• Further enhance communications to members</li> </ul>   | <b>Yes; Delivered</b>      |
| <ul style="list-style-type: none"> <li>• Increase Fee for Service revenue base and margin</li> </ul>  | <b>Partially Delivered</b> |
| <ul style="list-style-type: none"> <li>• Further influence clients to only engage systems certified contractors</li> </ul>  | <b>Yes; Delivered</b>      |
| <ul style="list-style-type: none"> <li>• Continue the development of tools for members in relation to dealing with health and safety, and managing the environment</li> </ul>                               | <b>Yes; Delivered</b>      |
| <ul style="list-style-type: none"> <li>• Continue to be vigilant to ensure that our governance, risk management, strategic planning and administrative functions meet contemporary best practice</li> </ul> | <b>Yes;Delivered</b>       |
| <ul style="list-style-type: none"> <li>• Complete the cultural transition of the business</li> </ul>  | <b>Yes; Delivered</b>      |
| <ul style="list-style-type: none"> <li>• Successfully transition the business into the new premises</li> </ul>  | <b>Yes; Delivered</b>      |
| <ul style="list-style-type: none"> <li>• Achieve additional funding grants to backfill those ceasing to be available to CCF</li> </ul>  | <b>Partially achieved</b>  |
| <ul style="list-style-type: none"> <li>• Continue to establish forums and committee structures that ensure that contractor issues are identified and challenges addressed</li> </ul>                        | <b>Yes; Delivered</b>      |
| <ul style="list-style-type: none"> <li>• Review the training course cost structure and strategies, to ensure delivery of a surplus to support future development in this business unit</li> </ul>           | <b>Partially achieved</b>  |

Your CCF Victorian Branch has completed a successful 2012-13 financial year, in the face of a number of challenges. With the change mechanisms already completed, or in plan, the Branch faces a stronger future on a lower cost base with a clear culture of providing core services to members in a timely and professional manner. The driving principal is to understand the needs of our Members and to develop appropriate solutions to provide better value for our members.

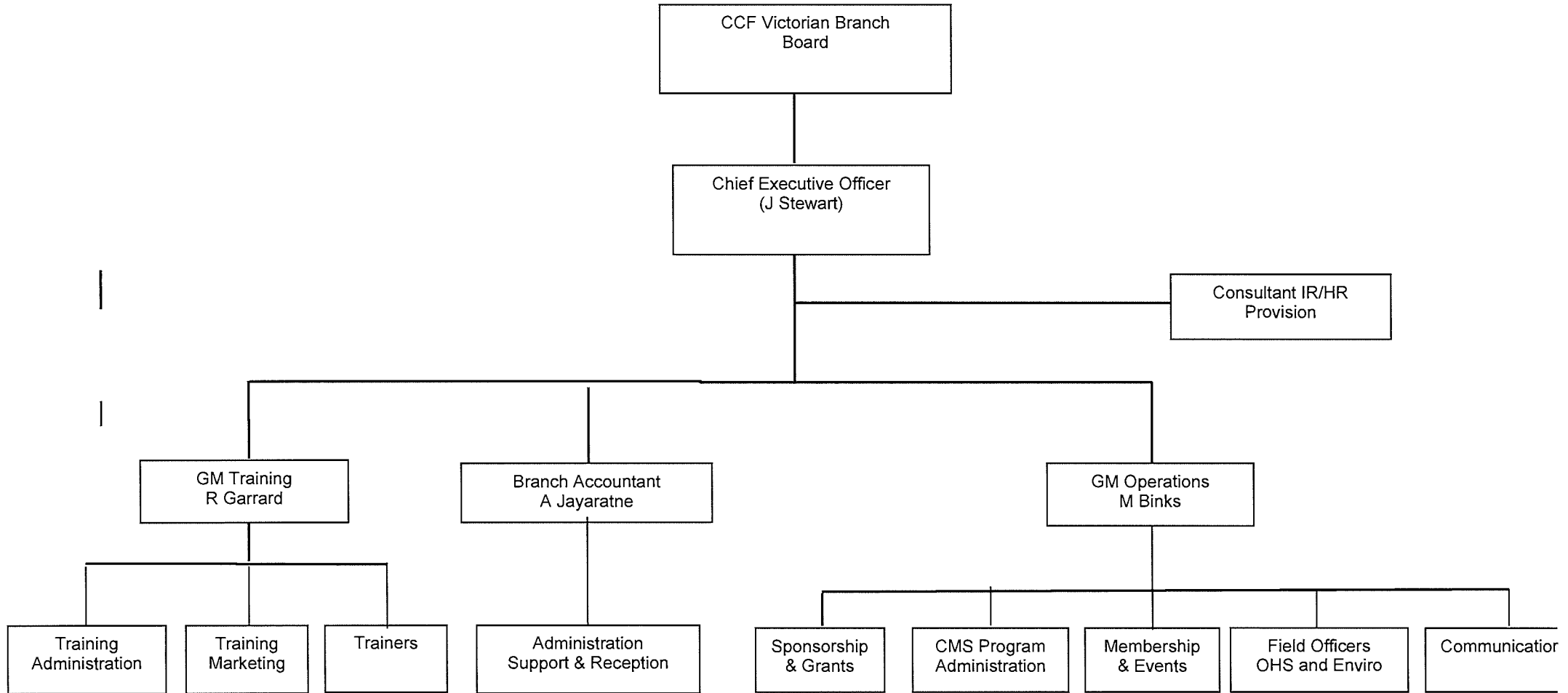
In representing your CCF Victorian Board and Branch Staff, we appreciate your ongoing support of the CCF and the strategic directions the Branch is undertaking.

Andrew Mahar  
Branch President

John Stewart  
Chief Executive Officer

APPENDIX 1

CCF Victoria Organisational Chart (Current)



**CIVIL CONTRACTORS FEDERATION  
(VIC BRANCH)**

**ABN 97 341 352 156**

**Financial Report  
for the Year Ended  
30 June 2013**

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**Operating Report  
for the Year Ended 30 June 2013**

**Principal Activities** s254(2)(9a)

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** s254(2)(a)

The Branch's principal activities resulted in a profit of \$45,125 (2012 profit of \$134,012)

For the 2013 year, the Branch generated operating cash inflows of \$250,207 and it generated negative cash flows of \$115,843 from financing and investing activities. Cash balances during the year have increased from \$1,435,156 to \$1,569,520. As at reporting date, it has a working capital surplus of \$1,539,390 (2012: \$1,392,732).

Advocacy and member services in industrial relations services has again been a focus given the Federal Workplace Relations reform including workplace agreements, and Building and Construction industry Code Compliance.

The Branch has also continued service provision in workplace training to meet industry demand.

Continued education and promotion of contractors to achieve recognition as accredited contractors for quality management OH&S and environmental management utilising the Federations Contractor Management System also occurred.

Advocacy to both state and federal governments and government agencies has also been an area of high performance in representing the views of members in the industry.

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

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

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

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.

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

No officer, or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

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

The number of persons who, at the end of the year, were recorded on the Register of Members was 633 (2012 : 682).

**CIVIL CONTRACTORS FEDERATION (VIC BRANCH)**

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**Operating Report (cont'd)  
for the Year Ended 30 June 2013**

**Number of Employees reg 159(b)**

The number of persons who were, at the end of the financial year, employees of the VIC Branch of the Federation was 16.26 (2012 14.88).

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

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

|                  |   |          |
|------------------|---|----------|
| Andrew Mahar     | President & Alternate National Board Member |          |
| John Lander      | Vice President                              |          |
| Andrew J Simpson | Treasurer                                   |          |
| Gary Gardiner    | National Board Member & Board Member        |          |
| Alex Lukac       | Board Member                                | Resigned |
| Ian Sowerby      | Board Member                                |          |
| Jeff Gallus      | Board Member                                |          |
| John Plumridge   | Board Member                                |          |
| Marcus Van Enk   | Board Member                                | Resigned |
| Rod Watson       | Board Member                                | Resigned |
| Rohan Davidson   | Board Member                                |          |
| Sean Delaney     | Board Member                                |          |
| Tony Croagh      | Board Member                                | Resigned |
| Sophie Brown     | Board Member                                |          |
| Glenn Johnston   | Board Member                                |          |
| Greg Vincent     | Board Member                                | Resigned |

All positions were held for the full financial year unless stated otherwise.

**Operating Report (cont'd)  
for the Year Ended 30 June 2013**

**Manner of resignation**

Members may resign from the Branch in accordance with Section 174 of the Fair Work (Registered Organisations) Act 2009 and with rule 9 of the Civil Contractors Federation Constitution and Rules, which reads as follows:

**"9 - RESIGNATION OF MEMBERS**

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



Andrew Mahar  
VIC President

Dated in Melbourne this 13<sup>th</sup> day of August 2013

**VIC Committee of Management Statement  
for the Year Ended 30 June 2013**

On 13 August 2013, 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 30 June 2013:

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 the Fair Work Commission (FWC);
- (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;
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned;
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009;
  - (iv) the 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;
  - (v) the information sought in any request of a member of the reporting unit or the General Manager of FWC duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager of FWC; 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 recover 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

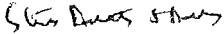
Date: 13 August 2013



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

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2013 there have been:-

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

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

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

Dated 13/6/13

**CIVIL CONTRACTORS FEDERATION (VIC BRANCH)**

**Statement of Profit and Loss  
for the Year Ended 30 June 2013**

|   | Note | 2013<br>\$       | 2012<br>\$       |
|---|------|------------------|------------------|
| Revenue   | 2    | 3,197,949        | 3,778,377        |
|   |      | <u>3,197,949</u> | <u>3,778,377</u> |
| Accountancy expenses                                      |      | (18,604)         | (29,409)         |
| Auditors remuneration                                     | 3    | (11,841)         | (8,197)          |
| Bad and doubtful debt expenses                            | 3    | (3,615)          | (5,224)          |
| Depreciation and amortisation expenses                    | 3    | (62,125)         | (79,736)         |
| Employee benefits expenses                                | 3    | (1,170,825)      | (1,184,941)      |
| National Branch Levy                                      | 3    | (171,417)        | (157,827)        |
| Other expenses  | 3    | (1,714,397)      | (2,179,031)      |
| <b>Profit before income tax</b>                           |      | <u>45,125</u>    | <u>134,012</u>   |
| Retained earnings at the beginning of the financial year  |      | 1,496,892        | 1,362,880        |
| <b>Retained earnings at the end of the financial year</b> |      | <u>1,542,017</u> | <u>1,496,892</u> |

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income  
for the Year Ended 30 June 2013**

|   | 2013<br>\$    | 2012<br>\$     |
|---|---------------|----------------|
| Profit for the period   | 45,125        | 134,012        |
| Other Comprehensive Income for the period   | -             | -              |
| Total Comprehensive Income for the period   | 45,125        | 134,012        |
| <b>Total Comprehensive Income attributable to members of<br/>the organisation</b> | <b>45,125</b> | <b>134,012</b> |

The accompanying notes form part of the financial statements

**CIVIL CONTRACTORS FEDERATION (VIC BRANCH)**

**Statement of Financial Position  
as at 30 June 2013**

|                                      | Note | 2013<br>\$       | 2012<br>\$       |
|--------------------------------------|------|------------------|------------------|
| <b>CURRENT ASSETS</b>                |      |                  |                  |
| Cash and cash equivalents            | 4    | 1,569,520        | 1,435,156        |
| Trade and other receivables          | 5    | 1,636,431        | 1,500,227        |
| Inventories                          | 6    | 7,497            | 11,483           |
| Other current assets                 | 7    | 88,359           | 29,002           |
| <b>Total Current Assets</b>          |      | <b>3,301,807</b> | <b>2,975,868</b> |
| <b>NON-CURRENT ASSETS</b>            |      |                  |                  |
| Financial assets                     | 8    | 12,500           | 12,500           |
| Property, plant and equipment        | 9    | 279,755          | 275,610          |
| <b>Total Non-Current Assets</b>      |      | <b>292,255</b>   | <b>288,110</b>   |
| <b>Total Assets</b>                  |      | <b>3,594,062</b> | <b>3,263,978</b> |
| <b>CURRENT LIABILITIES</b>           |      |                  |                  |
| Trade and other payables             | 10   | 1,744,942        | 1,443,604        |
| Borrowings                           | 11   | 52,300           | 71,256           |
| Provisions                           | 12   | 165,175          | 130,150          |
| <b>Total Current Liabilities</b>     |      | <b>1,962,417</b> | <b>1,645,010</b> |
| <b>NON-CURRENT LIABILITIES</b>       |      |                  |                  |
| Trade and other payables             | 10   | 2,000            | 2,000            |
| Borrowings                           | 11   | 76,376           | 103,987          |
| Provisions                           | 12   | 9,252            | 14,089           |
| <b>Total Non-Current Liabilities</b> |      | <b>87,628</b>    | <b>120,076</b>   |
| <b>Total Liabilities</b>             |      | <b>2,050,045</b> | <b>1,765,086</b> |
| <b>NET ASSETS</b>                    |      | <b>1,544,017</b> | <b>1,498,892</b> |
| <b>EQUITY</b>                        |      |                  |                  |
| Reserves                             | 14   | 2,000            | 2,000            |
| Retained earnings                    | 15   | 1,542,017        | 1,496,892        |
| <b>Total Equity</b>                  |      | <b>1,544,017</b> | <b>1,498,892</b> |

The accompanying notes form part of the financial statements

**Statement of Changes in Members' Funds  
for the Year Ended 30 June 2013**

|                                   | \$                      |
|-----------------------------------|-------------------------|
| <b>RETAINED EARNINGS</b>          |                         |
| Balance as at 1 July 2011         | 1,362,880               |
| Profit attributable to members    | <u>134,012</u>          |
| <b>Balance as at 30 June 2012</b> | <b>1,496,892</b>        |
| Profit attributable to members    | <u>45,125</u>           |
| <b>Balance as at 30 June 2013</b> | <b><u>1,542,017</u></b> |
| <b>RESERVES</b>                   |                         |
| Balance as at 1 July 2011         | 2,000                   |
| Movement                          | <u>-</u>                |
| <b>Balance as at 30 June 2012</b> | <b>2,000</b>            |
| Movement                          | <u>-</u>                |
| <b>Balance as at 30 June 2013</b> | <b><u>2,000</u></b>     |

**CIVIL CONTRACTORS FEDERATION (VIC BRANCH)**

**Statement of Cash Flows  
for the Year ended 30 June 2013**

|  | Note | 2013<br>\$       | 2012<br>\$       |
|--|------|------------------|------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                |      |                  |                  |
| Cash receipts in the course of operations                  |      | 2,845,928        | 3,401,262        |
| Cash receipts from related parties                         |      | 141,790          | 82,012           |
| Interest received  |      | 74,027           | 33,128           |
| National Levy paid   |      | (171,417)        | (157,827)        |
| Cash payments in the course of operations                  |      | (2,640,121)      | (3,335,244)      |
| <b>Net cash provided by (used in) operating activities</b> | 17   | <b>250,207</b>   | <b>23,331</b>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                |      |                  |                  |
| Payment for plant and equipment                            |      | (37,442)         | (24,665)         |
| Proceeds from disposal of plant and equipment              |      | 18,826           | 29,935           |
| (Payment)/Withdrawals from Investments                     |      | -                | 936,221          |
| <b>Net cash provided by (used in) investing activities</b> |      | <b>(18,616)</b>  | <b>941,491</b>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                |      |                  |                  |
| Net repayment of hire purchases                            |      | (97,227)         | (89,889)         |
| <b>Net cash provided by (used in) financing activities</b> |      | <b>(97,227)</b>  | <b>(89,889)</b>  |
| Net increase/(decrease) in cash held                       |      | 134,364          | 874,933          |
| Cash at the beginning of the financial year                |      | 1,435,156        | 560,223          |
| <b>CASH AT THE END OF THE FINANCIAL YEAR</b>               | 4    | <b>1,569,520</b> | <b>1,435,156</b> |

The accompanying notes form part of the financial statements

**Notes to the Financial Statements  
for the Year Ended 30 June 2013**

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

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

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

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

The following is a summary of the material accounting policies adopted by the Branch 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. Income Tax**

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

**c. Cash and cash equivalents**

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

**d. Plant and Equipment**

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

***Plant and equipment***

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

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

**Notes to the Financial Statements (cont'd)  
for the Year Ended 30 June 2013**

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

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

Depreciation

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

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

| Class of Fixed Asset | Depreciation Rate |
|----------------------|-------------------|
| Motor Vehicles       | 18.75% - 25%      |
| Plant & Equipment    | 2.5 – 100.00%     |

The assets residual values and useful lives are reviewed and adjusted, if appropriate, at each balance/(reporting) date.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount. These gains and losses are included in the Statement of Profit and Loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

**e. Financial Instruments**

**Recognition**

Financial instruments are initially measured at cost on trade date, which includes the transaction costs, when the related contractual rights or obligations exist. Subsequent to 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 categorized 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 Statement of Profit and Loss in the period in which they arise.

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

**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.



**Notes to the Financial Statements (cont'd)  
for the Year Ended 30 June 2013**

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

**e. Financial Instruments (cont'd)**

**Available-for-sale financial assets**

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

**Financial liabilities**

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

**Fair value**

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

**Impairment of Financial Instruments**

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 securities, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the Statement of Profit and Loss.

**f. 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 Statement of Profit and Loss.

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.

**g. Employee Benefits**

Provision is made for the Branch'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 flows to be made for those benefits.

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

**h. Provisions**

Provisions are recognized 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.

**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).

**Notes to the Financial Statements (cont'd)  
for the Year Ended 30 June 2013**

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

**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 Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

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

**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 remains unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**l. Leases**

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

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

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

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

**Notes to the Financial Statements  
for the Year Ended 30 June 2013 (cont'd)**

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

**m. Comparative figures**

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

**n. Operating Segment**

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

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

**o. Critical Accounting Estimates and Judgements**

The Branch 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 organisation.

*Key Estimates – Impairment*

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

No impairment has been recognised in respect of any assets for the year ended 30 June 2013, except as stated in the report.

*Key Judgements - Doubtful Debts Provision*

The Branch have assessed each debtor and have estimated a provision for doubtful debts amounting to \$nil (2012 : \$nil). The Branch believes that the full amount of debtors are recoverable. There are no 'past due' debtors at reporting date, nor any impaired debtors. Normal credit terms with debtors are 30 days.

**Notes to the Financial Statements  
for the Year Ended 30 June 2013 (cont'd)**

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

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

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

- AASB 9: Financial Instruments (December 2010) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)

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.

These Standards were mandatorily applicable for annual reporting periods commencing on or after 1 January 2013. However, AASB 2012-6 *Amendments to Australian Accounting Standards – Mandatory Date of AASB 9 and Transition Disclosures* (issued September 2012) defers the mandatory application date of AASB 9 from 1 January 2013 to 1 January 2015. This amendment is a consequence of the deferral of IFRS 9 to allow IASB to complete its revision of that Standard. In light of this change of mandatory effective date, the Branch is expected to adopt AASB 9 and AASB 2010-7 for the annual reporting period ending 30 June 2016. The Branch anticipate that the adoption of AASB 9 and AASB 2010-7 will not have a significant impact on the Branch's financial statements.

**Notes to the Financial Statements  
for the Year Ended 30 June 2013 (cont'd)**

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

**p. New Accounting Standards for Application in Future Periods (cont'd)**

- 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 (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 does not believe this will have a significant impact 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" (where 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). This standard will not impact the Branch's financial statements.
- 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 (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 expected to result in more detailed fair value disclosures, but are not expected to significantly impact the amounts recognised in the Branch's financial statements.

**Notes to the Financial Statements  
for the Year Ended 30 June 2013 (cont'd)**

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

**p. New Accounting Standards for Application in Future Periods (cont'd)**

- AASB 2011-4: Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements (applicable for annual reporting periods beginning on or after 1 July 2013)

This Standard makes amendments to AASB 124: Related Party Disclosures to remove the individual key management personnel disclosures (including paras Aus29.1 to Aus29.9.3). These amendments serve a number of purposes, including furthering trans-Tasman convergence, removing differences from IFRSs, and avoiding any potential confusion with the equivalent Corporations Act 2001 disclosure requirements.

This Standard is not expected to significantly impact the Branch's financial report as a whole.

- AASB 2011-9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income (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) (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, including:

- removal of the "corridor" approach from AASB 119, thereby requiring entities to recognise all changes in a net defined benefit liability/(asset) when they occur; and
- disaggregation of changes in a net defined benefit liability/(asset) into service cost, net interest expense and remeasurements and recognition of:
  - i. service cost and net interest expense in profit or loss; and
  - ii. remeasurements in other comprehensive income.

AASB 119 (September 2011) also includes changes to the criteria for determining when termination benefits should be recognised as an obligation.

The directors anticipate that the application of amendments to AASB 119 will not have a material impact on the amounts report by the Branch.

- AASB 2012-2: Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 2012-2 principally amends AASB 7: Financial Instruments: Disclosures to require entities to include information that will enable users of their financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

This Standard is not expected to significantly impact the Branch's financial statements.

**Notes to the Financial Statements  
for the Year Ended 30 June 2013 (cont'd)**

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

**p. New Accounting Standards for Application in Future Periods (cont'd)**

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

This Standard adds application guidance to AASB 132: Financial Instruments: Presentation to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of “currently has a legally enforceable right of set-off” and that some gross settlement systems may be considered equivalent to net settlement.

This Standard is not expected to significantly impact the Branch's financial statements.

- AASB 2012-5: Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle (applicable for annual reporting periods commencing on or after 1 January 2013).

This Standard amends a number of Australian Accounting Standards as a consequence of the issuance of Annual Improvements to IFRSs 2009-2011 Cycle by the International Accounting Standards Board, including:

- AASB 1: First-time Adoption of Australian Accounting Standards to clarify the requirements in respect of the application of AASB 1 when an entity discontinues and then resumes applying Australian Accounting Standards;
- AASB 101: Presentation of Financial Statements and AASB 134: Interim Financial Reporting to clarify the requirements for presenting comparative information;
- AASB 116: Property, Plant and Equipment to clarify the accounting treatment of spare parts, stand-by equipment and servicing equipment;
- AASB 132 and Interpretation 2: Members' Shares in Co-operative Entities and Similar Instruments to clarify the accounting treatment of any tax effect of a distribution to holders of equity instruments; and
- AASB 134 to facilitate consistency between the measures of total assets and liabilities an entity reports for its segments in its interim and annual financial statements.

This Standard is not expected to significantly impact the Branch's financial statements.

**Notes to the Financial Statements  
for the Year Ended 30 June 2013 (cont'd)**

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

**q. Information to be provided to Members or General Manager of FWA**

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

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



**Notes to the Financial Statements  
for the Year Ended 30 June 2013 (cont'd)**

|   | 2013<br>\$       | 2012<br>\$       |
|---|------------------|------------------|
| <b>NOTE 2: REVENUE</b>  |                  |                  |
| <b>Operating activities:</b>  |                  |                  |
| CMS SCIMS Income  | 496,720          | 37,350           |
| Conference / Functions  | 156,389          | 250,976          |
| Sponsorship   | 213,765          | 230,440          |
| Publications  | 42,111           | 60,765           |
| Training Fees   | 721,693          | 1,248,607        |
| Membership  | 1,042,804        | 1,057,860        |
| Incolink Funding  | 329,143          | 644,368          |
| Interest received   | 74,027           | 33,128           |
| Other revenue   | 118,291          | 214,736          |
| Profit on Sale of Non-current Assets  | 3,006            | 147              |
| Capitation Fees   | -                | -                |
| Compulsory Levy   | -                | -                |
| Donations   | -                | -                |
| Financial Support - Branches  | -                | -                |
| <b>Total Revenue</b>  | <b>3,197,949</b> | <b>3,778,377</b> |
| <b>NOTE 3: PROFIT FROM ORDINARY ACTIVITIES</b>  |                  |                  |
| The operating profit of the Branch before income tax expense has been determined after: |                  |                  |
| <b>a. Bad and Doubtful Debts</b>  |                  |                  |
| Bad debts written off to expense  | 3,615            | 5,224            |
| Provision for doubtful debts  | -                | -                |
|   | <b>3,615</b>     | <b>5,224</b>     |
| <b>b. Auditor's Remuneration</b>  |                  |                  |
| Auditor's remuneration  | 11,841           | 8,197            |
|   | <b>11,841</b>    | <b>8,197</b>     |
| <b>c. Depreciation and Amortisation</b>   |                  |                  |
| Plant and equipment   | 18,136           | 22,461           |
| Motor vehicles  | 43,989           | 57,275           |
|   | <b>62,125</b>    | <b>79,736</b>    |
| <b>d. Levy</b>  |                  |                  |
| National office levy  | 171,417          | 157,827          |
|   | <b>171,417</b>   | <b>157,827</b>   |

**Notes to the Financial Statements  
for the Year Ended 30 June 2013 (cont'd)**

|   | 2013<br>\$ | 2012<br>\$ |
|---|------------|------------|
| <b>NOTE 3: PROFIT FROM ORDINARY ACTIVITIES (cont'd)</b> |            |            |
| <b>e. Employee related expenses</b>                     |            |            |
| Salaries  | 992,149    | 1,019,039  |
| Superannuation  | 102,856    | 108,967    |
| Employee benefits                                       | 23,820     | (5,861)    |
| Payroll tax   | 47,786     | 56,437     |
| Training and recruitment                                | 4,214      | 6,359      |
|   | 1,170,825  | 1,184,941  |
| <b>f. Other expenses include:-</b>                      |            |            |
| Publications  | 45,283     | 41,281     |
| CMS Expenses  | 161,115    | 29,122     |
| Conference / Functions                                  | 269,908    | 408,782    |
| Training Delivery Costs                                 | 512,374    | 1,025,657  |
| Computer Expenses                                       | 29,803     | 31,985     |
| Insurance Costs   | 12,720     | 7,843      |
| Communication Expense                                   | 16,636     | 21,815     |
| Motor Vehicle Expenses                                  | 28,547     | 54,635     |
| Stationery, Printing and Postage                        | 56,777     | 37,063     |
| Rent  | 104,648    | 151,008    |
| Legal Costs   | 26,530     | 21,618     |
| Other Costs   | 450,056    | 348,222    |
| Penalties (RO Act)                                      | -          | -          |
| Payroll Deduction Costs                                 | -          | -          |
| Subscriptions (Political Parties etc)                   | -          | -          |
| Capitation Fee  | -          | -          |
| Grants / Donations                                      | -          | -          |
| Meeting Attendance Fees                                 | -          | -          |
|   | 1,714,397  | 2,179,031  |

**Notes to the Financial Statements  
for the Year Ended 30 June 2013 (cont'd)**

|   | 2013<br>\$       | 2012<br>\$       |
|---|------------------|------------------|
| <b>NOTE 4: CASH AND CASH EQUIVALENTS</b>  |                  |                  |
| <b>Current</b>  |                  |                  |
| Deposit   | 4,000            | 4,000            |
| Cash at bank  | 324,553          | 239,684          |
| Commercial Bills  | 1,240,967        | 1,191,472        |
|   | <u>1,569,520</u> | <u>1,435,156</u> |
| <b>Reconciliation of cash</b>   |                  |                  |
| Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as set out above. |                  |                  |
| <b>NOTE 5: TRADE AND OTHER RECEIVABLES</b>  |                  |                  |
| <b>Current</b>  |                  |                  |
| Trade Debtors   | 1,621,951        | 1,500,227        |
| Sundry Debtors  | 14,480           | -                |
|   | <u>1,636,431</u> | <u>1,500,227</u> |
| <b>NOTE 6: INVENTORIES</b>  |                  |                  |
| <b>Current</b>  |                  |                  |
| Publications on Hand – at cost  | 5,171            | 6,539            |
| Cards on Hand – at cost   | 2,326            | 4,944            |
|   | <u>7,497</u>     | <u>11,483</u>    |
| <b>NOTE 7: OTHER CURRENT ASSETS</b>   |                  |                  |
| <b>Current</b>  |                  |                  |
| Borrowing Costs   | 868              | 994              |
| Prepayments   | 43,585           | 27,670           |
| Withholding Tax   | -                | 338              |
| Security Deposit – Leased Premises  | 43,906           | -                |
|   | <u>88,359</u>    | <u>29,002</u>    |
| <b>NOTE 8: FINANCIAL ASSETS</b>   |                  |                  |
| Available for sale financial assets   |                  |                  |
| Unlisted investments, at fair value   | 12,500           | 12,500           |
| Total available-for-sale financial assets   | <u>12,500</u>    | <u>12,500</u>    |

**Notes to the Financial Statements  
for the Year Ended 30 June 2013 (cont'd)**

|   | 2013<br>\$     | 2012<br>\$     |
|---|----------------|----------------|
| <b>NOTE 9: PROPERTY, PLANT AND EQUIPMENT</b>  |                |                |
| <b>Motor Vehicles:</b>  |                |                |
| At cost   | 313,787        | 298,501        |
| Accumulated depreciation  | (141,698)      | (111,251)      |
| <b>Total motor vehicles</b>   | <b>172,089</b> | <b>187,250</b> |
| <b>Office Furniture &amp; Equipment</b>   |                |                |
| At cost   | 326,877        | 289,300        |
| Accumulated depreciation  | (219,211)      | (200,940)      |
| <b>Total office furniture &amp; equipment</b>   | <b>107,666</b> | <b>88,360</b>  |
| <b>Total property, plant and equipment</b>  | <b>279,755</b> | <b>275,610</b> |
| <b>Movements in Carrying Amounts</b>  |                |                |
| Movements in carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year. |                |                |

|  | Motor<br>Vehicles<br>\$ | Office Furniture &<br>Equipment<br>\$ | Total<br>\$    |
|--|-------------------------|---------------------------------------|----------------|
| <b>Balance at the 1 July 2011</b>      | 183,481                 | 90,851                                | 274,332        |
| 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> | <b>187,250</b>          | <b>88,360</b>                         | <b>275,610</b> |
| Additions                              | 50,660                  | 37,442                                | 88,102         |
| Disposals                              | (21,832)                | -                                     | (21,832)       |
| Depreciation Expense                   | (43,989)                | (18,136)                              | (62,125)       |
| <b>Carrying amount at 30 June 2013</b> | <b>172,089</b>          | <b>107,666</b>                        | <b>279,755</b> |

CIVIL CONTRACTORS FEDERATION (VIC BRANCH)

**Notes to the Financial Statements  
for the Year Ended 30 June 2013 (cont'd)**

|  | 2013<br>\$ | 2012<br>\$ |
|--|------------|------------|
| <b>NOTE 10: TRADE AND OTHER PAYABLES</b>   |            |            |
| <b>Current</b>   |            |            |
| Income not yet earned  | 1,326,970  | 1,147,116  |
| Accounts Payable   | 45,298     | 114,350    |
| Other Creditors  | 8,496      | 10,786     |
| Payroll Liabilities  | 20,636     | 30,238     |
| GST Payable  | 123,311    | 131,024    |
| Accrued Expenses   | 220,231    | 10,090     |
|  | 1,744,942  | 1,443,604  |
| <p>Accrued expenses include appropriate accrual for any liability arising from the recent DEECD audit of the Funded Training received by the Branch.</p> |            |            |
| <b>Non-Current</b>   |            |            |
| Debentures Not Repayable Within One Year   | 2,000      | 2,000      |
| <b>NOTE 11: BORROWINGS</b>   |            |            |
| <b>Current</b>   |            |            |
| Hire Purchase Liability  | 59,224     | 81,731     |
| Less: Unexpired Hire Purchase Liability  | (6,924)    | (10,475)   |
|  | 52,300     | 71,256     |
| <b>Non-Current</b>   |            |            |
| Hire Purchase Liability  | 80,699     | 109,003    |
| Less Unexpired Hire Purchase Liability   | (4,323)    | (5,016)    |
|  | 76,376     | 103,987    |
| <p>These borrowings are secured by the assets that were financed.</p>  |            |            |
| <b>NOTE 12: PROVISIONS</b>   |            |            |
| <b>Current</b>   |            |            |
| Provision for Annual Leave   | 91,864     | 68,276     |
| Provision for Long Service Leave   | 73,311     | 61,874     |
|  | 165,175    | 130,150    |
| <b>Non-Current</b>   |            |            |
| Provision for Long Service Leave   | 9,252      | 14,089     |
|  | 9,252      | 14,089     |
| <b>Total provisions</b>  | 174,427    | 144,239    |

|                                     | Elected Officials<br>(Office holders)<br>\$ | Employees (other than<br>Elected Officials)<br>\$ | Total<br>\$ |
|-------------------------------------|---|---|-------------|
| <b>Analysis of Total Provisions</b> |   |   |             |
| Annual Leave                        | -   | 91,864  | 91,864      |
| Long Service Leave                  | -   | 82,563  | 82,563      |
| Redundancy                          | -   | -   | -           |
| Other                               | -   | -   | -           |
|                                     | -   | 174,427   | 174,427     |

**Notes to the Financial Statements  
for the Year Ended 30 June 2013 (cont'd)**

**NOTE 13: EMPLOYEE BENEFITS**

| Employee benefits paid/accrued during the year | Elected Officials<br>(Office holders) | Employees (other than Elected Officials) | Total            |
|--|---------------------------------------|--|------------------|
|  | \$                                    | \$                                       | \$               |
| Wages and Salaries                             | -                                     | 992,149                                  | 992,149          |
| Annual Leave and Long Service Leave            | -                                     | 23,820                                   | 23,820           |
| Redundancy Payments                            | -                                     | -  | -                |
| Other Employee Expenses                        | -                                     | 52,000                                   | 52,000           |
| Superannuation                                 | -                                     | 102,856                                  | 102,856          |
| <b>Total</b>                                   | -                                     | <b>1,170,825</b>                         | <b>1,170,825</b> |

|  | 2013<br>\$ | 2012<br>\$ |
|--|------------|------------|
|--|------------|------------|

**NOTE 14: RESERVES**

|   |       |       |
|---|-------|-------|
| General Reserve – Members' Debentures   | 2,000 | 2,000 |
| There has been no movement in the reserve during the current or preceding year. |       |       |

**NOTE 15: RETAINED EARNINGS**

|  |                  |                  |
|--|------------------|------------------|
| Retained earnings at the beginning of the financial year | 1,496,892        | 1,362,880        |
| Net profit attributable to the entity                    | 45,125           | 134,012          |
| Retained earnings at the end of the financial year       | <u>1,542,017</u> | <u>1,496,892</u> |

**NOTE 16: CAPITAL AND LEASING COMMITMENTS**

|  | 2013<br>\$ | 2012<br>\$ |
|--|------------|------------|
|--|------------|------------|

**Hire Purchase Commitments**

|   |                |                |
|---|----------------|----------------|
| Payable – Minimum Hire Purchase payments        |                |                |
| Not later than 12 months                        | 59,224         | 81,731         |
| Later than 12 months but not later than 2 years | 53,126         | 93,182         |
| Later than 2 years but not later than 5 years   | 27,573         | 15,820         |
| Minimum Hire Purchase payments                  | 139,923        | 190,733        |
| Less future finance charges                     | (11,247)       | (15,490)       |
| Present value of minimum payments               | <u>128,676</u> | <u>175,243</u> |

**Operating Lease Commitments**

|   |                |                |
|---|----------------|----------------|
| Payable – Minimum Operating Lease payments      |                |                |
| Not later than 12 months                        | 159,660        | 200,801        |
| Later than 12 months but not later than 2 years | 159,660        | 189,380        |
| Later than 2 years but not later than 5 years   | 359,235        | 500,120        |
| Minimum Operating Lease payments                | <u>678,555</u> | <u>890,301</u> |

**Notes to the Financial Statements  
for the Year Ended 30 June 2013 (cont'd)**

|  | 2013<br>\$ | 2012<br>\$ |
|--|------------|------------|
| <b>NOTE 17: CASH FLOW INFORMATION</b>  |            |            |
| <b>Reconciliation of net cash provided by operating activities to profit after income tax</b>  |            |            |
| Profit from Ordinary Activities after income tax   | 45,125     | 134,012    |
| Add/(Less) Non Cash Flows in Profit from Ordinary Activities:  |            |            |
| - Depreciation   | 62,125     | 79,736     |
| - (Profit)/Loss on Sale of Plant & Equipment   | 3,006      | (147)      |
|  | 110,256    | 213,601    |
| Changes in Operating Assets and Liabilities  |            |            |
| - (Increase)/Decrease in Trade Debtors   | (121,724)  | (261,975)  |
| - (Increase)/Decrease in Inventory   | 3,986      | 2,436      |
| - (Increase)/Decrease in Prepayments   | (15,915)   | 23,186     |
| - (Increase)/Decrease in Other Assets  | (43,442)   | 10         |
| - (Increase)/Decrease in Other Receivables   | (14,480)   | 18,802     |
| - Increase/(Decrease) in Payables  | 301,338    | 73,132     |
| - Increase/(Decrease) in Other Liabilities   | -          | (40,000)   |
| - Increase/(Decrease) in Employee Entitlements   | 30,188     | (5,861)    |
|  | 250,207    | 23,331     |
| <b>Net cash provided by operating activities</b>   |            |            |
| 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 \$50,660 of motor vehicles (prior year: \$88,379). |            |            |

**Notes to the Financial Statements  
for the Year Ended 30 June 2013 (cont'd)**

**NOTE 18: FINANCIAL RISK MANAGEMENT**

**Financial Risk Management Policies**

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

The entity does not have any derivative instruments at 30 June 2013.

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

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

**ii. Treasury Risk Management**

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

**iii. Financial Risk Exposures and Management**

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

**Liquidity risk**

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

**Interest rate risk**

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

As at 30 June 2013, the effect on profit and equity as a result of the changes in interest rate, with all other variables remaining constant would be as follows:

|                                 | 2013<br>\$ | 2012<br>\$ |
|---------------------------------|------------|------------|
| <b>Change in profit/(loss)</b>  |            |            |
| Increase in interest rate by 1% | 14,408     | 12,599     |
| Decrease in interest rate by 1% | (14,408)   | (12,599)   |
| <b>Change in equity</b>         |            |            |
| Increase in interest rate by 1% | 14,408     | 12,599     |
| Decrease in interest rate by 1% | (14,408)   | (12,599)   |

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

**Credit Risk Exposure**

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

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

**iv. Interest Rate Risk**

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



**CIVIL CONTRACTORS FEDERATION (VIC BRANCH)**

**Notes to the Financial Statements  
for the Year Ended 30 June 2013 (cont'd)**

**NOTE 18: FINANCIAL RISK MANAGEMENT (cont'd)**

|   | Weighted<br>Average<br>Effective<br>Interest<br>Rate % | Floating<br>Interest<br>Rate<br>\$ | 1 year or<br>less<br>\$ | Fixed Interest Rate Maturities<br>1 to 5<br>years<br>\$ | Over 5<br>years<br>\$ | Non<br>Interest<br>Bearing<br>\$ | Total<br>\$      |
|---|--|------------------------------------|-------------------------|---|-----------------------|----------------------------------|------------------|
| <b>30 June 2013</b>                     |  |                                    |                         |   |                       |                                  |                  |
| <b>Assets:</b>                          |  |                                    |                         |   |                       |                                  |                  |
| Cash                                    | 3.75%  | 1,569,520                          | -                       | -   | -                     | -                                | 1,569,520        |
| Trade and Sundry<br>Debtors             |  | -                                  | -                       | -   | -                     | 1,636,431                        | 1,636,431        |
|   |  | 1,569,520                          | -                       | -   | -                     | 1,636,431                        | 3,205,951        |
| <b>Liabilities:</b>                     |  |                                    |                         |   |                       |                                  |                  |
| Sundry Creditors & Other<br>Liabilities |  | -                                  | -                       | -   | -                     | 1,744,942                        | 1,744,942        |
| Borrowings                              | 10%  | -                                  | 52,300                  | 76,376  | -                     | -                                | 128,676          |
|   |  | -                                  | 52,300                  | 76,376  | -                     | 1,744,942                        | 1,873,618        |
| <b>Net financial assets</b>             |  | <b>1,569,520</b>                   | <b>(52,300)</b>         | <b>(76,376)</b>   | <b>-</b>              | <b>(108,511)</b>                 | <b>1,332,333</b> |
| <b>30 June 2012</b>                     |  |                                    |                         |   |                       |                                  |                  |
| Total financial assets                  | 4.25%  | 1,435,136                          | -                       | -   | -                     | 1,500,227                        | 2,935,383        |
| Total financial liabilities             | .11%   | -                                  | 71,256                  | 103,987   | -                     | 1,443,604                        | 1,618,847        |
| <b>Net financial assets</b>             |  | <b>1,435,136</b>                   | <b>(71,256)</b>         | <b>(103,987)</b>  | <b>-</b>              | <b>56,623</b>                    | <b>1,316,536</b> |

**v. Net Fair Values**

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

**NOTE 19: RELATED PARTY TRANSACTIONS**

**a. VIC Branch Board members**

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

|                  |   |          |
|------------------|---|----------|
| Andrew Mahar     | President & Alternate National Board Member |          |
| John Lander      | Vice President                              |          |
| Andrew J Simpson | Treasurer                                   |          |
| Gary Gardiner    | National Board Member & Board Member        |          |
| Alex Lukac       | Board Member                                | Resigned |
| Ian Sowerby      | Board Member                                |          |
| Jeff Gallus      | Board Member                                |          |
| John Plumridge   | Board Member                                |          |
| Marcus Van Enk   | Board Member                                | Resigned |
| Rod Watson       | Board Member                                | Resigned |
| Rohan Davidson   | Board Member                                |          |
| Sean Delaney     | Board Member                                |          |
| Tony Croagh      | Board Member                                | Resigned |
| Sophie Brown     | Board Member                                |          |
| Glenn Johnston   | Board Member                                |          |
| Greg Vincent     | Board Member                                | Resigned |

The officeholders received no 'non cash' benefits (2012: \$nil). No officeholder of the Branch during the year and/or the prior year had any material personal interest in a matter that he/she has or did acquire, or a relative of the officeholder has or did acquire.

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

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

**CIVIL CONTRACTORS FEDERATION (VIC BRANCH)**

**Notes to the Financial Statements  
for the Year Ended 30 June 2013 (cont'd)**

**NOTE 19: RELATED PARTY TRANSACTIONS (cont'd)**

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

|                   |                                       |
|-------------------|---------------------------------------|
| John Stewart      | CEO                                   |
| David Syme        | General Manager Operations            |
| Mark Binks        | General Manager Operations            |
| Robert Garrad     | General Manager Training              |
| Gaye Shillinglaw  | General Manager, Finance & Governance |
| Anushan Jayaratne | Branch Accountant                     |

In the current year, there were 16.26 full-time equivalent staff (2012: 14.88 full time equivalent staff).

| c. Key Management Personnel Remuneration | 2013     |                 |         | 2012     |                 |         |
|--|----------|-----------------|---------|----------|-----------------|---------|
|  | \$       |                 |         | \$       |                 |         |
|  | Salaries | Super-annuation | Total   | Salaries | Super-annuation | Total   |
|  | \$       | \$              | \$      | \$       | \$              | \$      |
| Total Compensation                       | 362,347  | 42,426          | 404,773 | 494,333  | 58,216          | 552,549 |

No termination benefits or share based payments were received.

|  | 2013           | 2012           |
|--|----------------|----------------|
|  | \$             | \$             |
| <b>Transactions with related parties:</b>  |                |                |
| <b>Income</b>  |                |                |
| Interstate Branches  | 151,140        | 53,093         |
| <b>Expenses</b>  |                |                |
| Levy – National CCF  | 171,417        | 157,827        |
| Other – National CCF   | -              | 9,891          |
| Interstate Branches  | 15,526         | -              |
|  | <b>186,943</b> | <b>167,718</b> |
| As at 30 June 2013 the balances receivable/(payable) from related parties are as follows:- |                |                |
| CCF – National Branch  | 2,605          | 15,469         |
| CCF – NSW Branch   | 3,520          | 66             |
| CCF – NT Branch  | -              | -              |
| CCF – SA Branch  | -              | (57)           |
| CCF – QLD Branch   | (423)          | -              |
| CCF – TAS Branch   | 2,520          | 2,863          |
| CCF – WA Branch  | 3,943          | -              |

**NOTE 20: ENTITY DETAILS**

The principal place of business of the entity is:

1 / 322 Glenferrie Road  
MALVERN VIC 3144

The principal segment is member services within Victoria, Australia.

The entity is domiciled in Australia.

**NOTE 21: DEPENDENCY**

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



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
CIVIL CONTRACTORS FEDERATION (VIC 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 2013 and the statement of profit and loss, statement of comprehensive income, statement of changes in members fund and the statement of cash flow for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the VIC Branch Board.

*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 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 Board, as well as evaluating the overall presentation of the financial report.

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

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

***Independence***

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

**Auditor's opinion**

1. In our opinion the financial report of Civil Contractors Federation (VIC Branch) at 30 June 2013 is presented fairly in accordance with the applicable Australian Accounting Standards and the requirements imposed by the Fair Work (Registered Organisations) Act 2009.
2. In relation to recovery of wages activity, there has been no recovery of wages activity during the year.
3. There were kept by CCF (VIC Branch) in respect of the year to 30 June 2013 satisfactory accounting records detailing the sources and nature of the income (including income from members) and the nature and purpose of the expenditure of CCF (VIC Branch).

*Sig Shulman*

**STANNARDS ACCOUNTANTS & ADVISORS**



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

Dated in Melbourne      13/6/13