



24 October 2018

Mr David Della Bona  
President, Western Australian Branch  
Civil Contractors Federation

Dear Mr Della Bona

**Re: – Financial reporting – Civil Contractors Federation, Western Australian Branch - for year ending 30 June 2018 (FR2018/45)**

I acknowledge receipt of the financial report of the Western Australian Branch of the Civil Contractors Federation, in respect of the year ending 30 June 2018. The documents were lodged with the Registered Organisations Commission ('the ROC') on 17 September 2018.

The financial report has been filed. The financial report was filed based on a primary review. This involved confirming whether 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 the report for year ending 30 June 2019 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. However I make the following comments to assist you when preparing the next report. The ROC will confirm these matters have been addressed prior to filing next year's report.

Auditor's report - all parts of GPFR

The Auditor's Statement is required to identify the title of each statement comprising the financial report in accordance with paragraph 24c of Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report*. A general purpose financial report prepared under section 253 of the RO Act also includes the expenditure report required to be prepared under section 255(2A) and as prescribed by Reporting Guideline 22, and, if one is completed in accordance with Reporting Guideline 21, the Officer's Declaration Statement. (See subsection 253(2)(c) of the RO Act.) It was not necessary for the auditor's report to refer to an officer declaration statement because one was not completed. However the auditor's statement omitted reference to the expenditure report.

Nil Activities disclosure

Item 21 of the Reporting Guidelines states that if any activities identified in items 10-20 have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in an Officer's Declaration Statement.

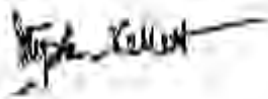
The notes contained nil activity information for all prescribed RG categories except the following:

- RG12 - acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission<sup>1</sup>
- RG16(b)(i) – have a payable in relation to legal costs (litigation)
- RG20 - make a payment to a former related party of the reporting unit

### Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 Reporting Guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

Yours faithfully



Stephen Kellett  
Financial Reporting  
Registered Organisations Commission

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<sup>1</sup> This nil activity disclosure was contained in the Operating report prepared under s254, rather than the general purpose financial report under s253



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**Civil Contractors Federation Western Australia**

*s.268 Fair Work (Registered Organisations) Act 2009*

**Certificate by Prescribed Designated Officer**

Certificate for the year ended June 2018

I, David Della Bona, being the President of the Civil Contractors Federation Western Australia Branch certify:

- that the documents lodged herewith are copies of the full report for the Civil Contractors Federation Western Australia branch for the period ending June 2018, referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the reporting unit on 20 August 2018; and
- that the full report was presented to a general meeting of members of the reporting unit on 11 September 2018 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature:

Name: David Della Bona

Title: CCF WA President

Date: 14 September 2018

# 2017/18 CCF WA ANNUAL REPORT



**CIVIL CONTRACTORS  
FEDERATION**



# CIVIL CONTRACTORS FEDERATION

## CIVIL CONTRACTORS FEDERATION WESTERN AUSTRALIAN BRANCH ANNUAL REPORT 2017/18

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It is my pleasure as CCF WA President to present to members an overview of activities conducted by the Civil Contractors Federation Western Australia Branch (CCF WA) during the 2017/18 financial year.

As noted in the CCF WA/BIS Oxford Economics 2018 Western Australian Infrastructure Report, the worst is now behind our industry as infrastructure investment plays an important role in driving WA's economy as it continues to transition from the resources boom to sustainable growth.

The report says that investment, construction activity and economic growth are likely to remain soft in WA during 2018 and 2019 as the excess supply of housing and commercial space is gradually absorbed and the State Government takes steps to improve budget finances.

The 2017-18 Financial Report that follows shows that CCF WA recorded a \$281,258 loss for the financial year, which followed on from a \$368,618 loss the year before. These

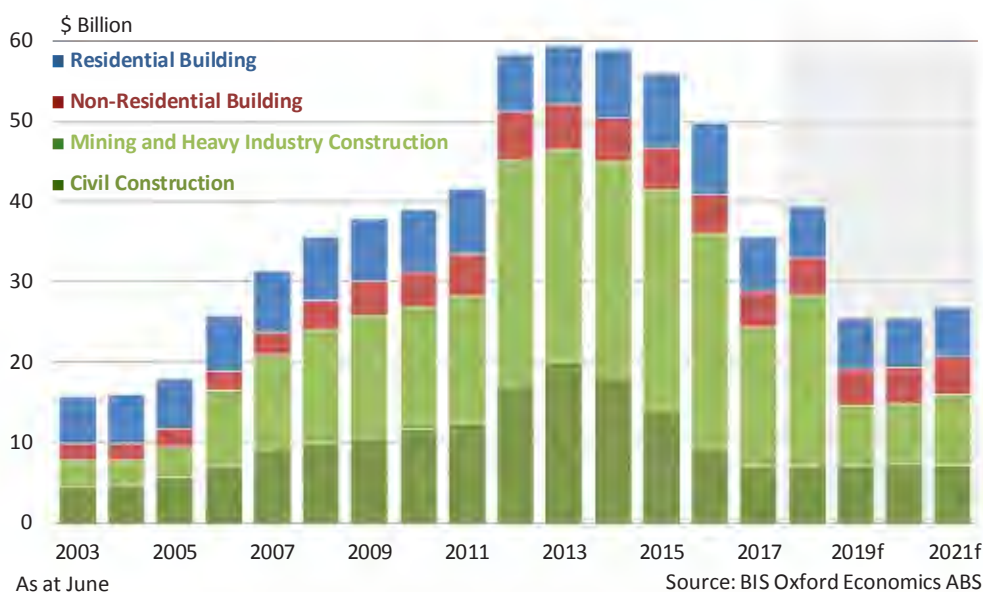
losses have been unfortunate but expected, and reflected the difficulties faced as we have negotiated the post-boom downturn, and discontinued operations by Civil Train WA, the CCF WA-owned Registered Training Organisation.

However I am pleased to report CCF WA expects to post a much smaller loss in 2018-19 as we continue to reduce costs, and we expect to return to a profit in 2019-20.

At the end of the 2017/18 financial year we welcomed our new training partner, CCF SA, which has committed to delivering high-quality civil construction traineeships and short courses in WA under the Civil Train brand. We look forward to a long and beneficial relationship with CCF SA on the training front.

One of the great benefits of the new training arrangements is that CCF WA can direct all of our energy on member services; on our core business of representing, promoting and connecting the WA civil construction industry.

A key focus of CCF WA's representation to



Western Australia, Value of Construction Work Done by Segment (\$Billion, 2013/14 Constant Prices)

# PRESIDENT'S REPORT



government during 2017/18 has been working with the McGowan State Government on its reform agenda. We have advised on the implementation of the Western Australian Industry Participation Strategy (WAIPS), which is the centrepiece of the Government's strategy to build local capability and encourage Western Australian employment.

CCF WA fully supports WAIPS and in the civil construction sector, we hope it will help to bring about a broader understanding within government that measuring local participation and jobs involves more than just counting hard hats. While we welcome initiatives such as local participation plans, experience shows that a commitment to such plans at the procurement stage does not always translate to action at the delivery stage. CCF advocates that the most effective and reliable way to achieve broad industry participation is to procure Government works via contract packages that encourage and facilitate such participation. Multiple contract packages, procured with an emphasis on local participation, will ensure broad industry participation – and achieve value-for-money through increased competition.

CCF WA has also consulted with the State Government on proposed Security of Payments reforms, as members of an Industry Advisory Group. While CCF WA believes the proposed Project Bank Accounts would be unworkable on complex infrastructure projects with multiple levels in the contracting chain, we believe there may be merit in reforms that will achieve a similar result but with less red tape.

We continue to advocate that State Government should standardise, or least harmonise where possible, its contracts and prequalification requirements across all its agencies and govt corporations. Currently a confusing variety of contracts are used by government for basically the same type of work. As the client, Government can avoid many security of payment issues by ensuring subcontracts on its projects do not transfer risk unfairly.

In addition to this 'big picture' advocacy work, CCF WA continued to actively represent members' interests to key decision makers in the public and private sectors.

The ongoing support of CCF WA's Associate Members continues to be vital to our organisation's success. Special thanks are due to our branch partners in 2017/18 – Platinum Partners FT Workforce and Hanson; Gold Partners Gallagher, Ledge, Dial Before You Dig and Lavan; Silver Partners, JCB Construction Equipment Australia, MJB Industries and TFI Tyres; and Bronze Partners Vinindex, CJD Equipment, Refuelling Solutions and Hays. Thanks also to the many other associates that have sponsored events during the year.

And of course sincere thanks to all of our Contractor Members, who support CCF WA's vital work as the 'voice' of civil construction.

It has been a pleasure working with my fellow board members Stuart Buckby, John Hovey, Stephen Pollard (Honorary Treasurer), Mike Reilly, Tim Ryan, Steve Tennant (Vice-President) and Mick Unger.

CCF WA CEO Jeff Miller announced his resignation recently after running CCF WA since 2008. Under his leadership this organisation has reached new heights of professionalism, member service and influence.

On behalf of the board, our thanks to Jeff for his service to CCF WA and to the civil construction industry, and we wish him well for his future endeavours.

A handwritten signature in blue ink, reading "David Della Bona". The signature is fluid and cursive, with the first name being more prominent.

David Della Bona  
President





The Committee of Management presents its operating report on Civil Contractors Western Australian Branch (CCF WA) for the year ended 30 June 2018.

## Principal activities s254(2)(a)

The principal activities of the Civil Contractors Federation Western Australian Branch (CCF WA) during the financial year were:

### Workplace Relations

- Advice to members and the public on changes to the workplace relations environment including Fair Work Australia changes, and interpretation of the Building and Construction General On-site Award 2010 and National Employment Standards.
- General employee relations issues relating to finding, attracting and retaining skilled staff, unfair dismissal, employee collective agreements and related issues.
- Continuing relationship with workplace relations consultants including referring members to external providers as required for detailed consultation.

### Utilities

- Representatives from CCF WA engaged on industry issues with major utility providers Western Power, Horizon Power, Water Corporation, and ATCO Gas Australia.
- Maintained relationships with key industry groups including Dial Before You Dig (DBYD) WA. CCF WA Industry Representative Mr Peter Rowles continued to represent CCF WA on the WA Dial Before You Dig Board and the Utility Providers Service Committee (UPSC).
- CCF WA Board Member Mr Stuart Buckby and Mr Jeff King represented CCF WA on Water Corporation's Urban Development Advisory Committee (UDAC).

### Civil Works

- Mr Dean Capelli and Mr Craig Patterson represented CCF WA on Main Roads WA's Road Construction & Maintenance Industry Advisory Group (WARCMIAG) and the WARCMIAG Infrastructure Delivery Group respectively.

- Mr Greg Bendall represented CCF WA on Main Roads WA's Traffic Management Roadworks Advisory Group (TMRAG).

- Separate to WARCMIAG and TMRAG, CCF WA engaged regularly with senior MRWA management on a wide range of issues.

- CCF WA hosted regular Industry Roundtable luncheon events with key stakeholders in government and industry.

### Occupational Safety & Health

- CCF WA has continued to inform and educate members on OSH issues, including progress on the proposed harmonisation of WA's OSH legislation.

### Training

- CCF WA's Registered Training Organisation, Civil Train Western Australia, was closed on 30 September 2017.
- Civil Train training services were provided by CCF Qld until mid-December 2017. CCF SA has taken over delivery of Civil Train services in Western Australia from June 2018.
- CCF WA and Civil Train continued to work closely with the Construction Training Fund (CTF) and Construction Training Council. Ms Cheng Rolfe was CCF WA's representative on the Construction Training Fund Board.

### General Operations

- CCF WA provided a number of formal submissions to State Government departments and agencies.
- CCF WA also contributed to CCF National submissions.
- Members and guests continued to support CCF WA events including the CCF WA Earth Awards, the Metropolitan Golf Day, Women in Civil functions and CCF WA President's Gala Dinner.
- The CCF WA Earth Awards were strongly supported and Earth Awards were presented to project winners in all six award categories.
- The 2017 CCF WA Training and Industry Awards, presented at the President's Gala Dinner in February 2018, attracted 40 entries.
- CCF WA's Women in Civil program continued to

# OPERATING REPORT

for the year ended 30 June 2018

flourish with a number of successful events held including the annual Women in Civil Breakfast held in May 2018.

- CCFWA's magazine (previously *Onsite*, now rebranded as the *CCFWA Bulletin*) was published quarterly. The magazine is produced and designed in-house and is mailed to more than 1200 Member contacts and other key industry stakeholders.

- CCFWA's E-news, containing timely and relevant news and advice, is emailed fortnightly to all member contacts.

- The 2018/19 *Western Australian Civil Construction Industry Capability Guide* was produced and distributed to members and industry stakeholders.

- Regular meetings of South West members were held with a range of guest speakers and topics.

- South West members participated in a roundtable with Bunbury MLA Don Punch.

- A successful event for North West members was held in Karratha, with Regional Development Minister Hon Alannah MacTiernan MLA as special guest.

- Mid West members participated in two roundtables with guests MLC Hon Darren West and the Mid West Development Corporation.

- Regular meetings of the Board of Management were held throughout the 2017/18 year.



CCF WA Member Neo Infrastructure won the Category 2 2017 CCF WA Earth Award for the Seabird Foreshore Stabilisation Works.



- In addition to items mentioned above, Chief Executive Officer Mr Jeff Miller and CCF WA staff maintained ongoing relationships with: Australian Electoral Commission; Chamber of Minerals and Energy WA; Department of Training and Workforce Development; Metropolitan Redevelopment Authority; Public Transport Authority; Department of Planning; Fair Work Australia; PWC Skills; Chamber of Commerce & Industry WA; Building Commission WA; Property Council of Australia (WA); WA Local Government Association; Roads Australia; Sustainable Built Environment National Research Centre; Office of the Federal Safety Commissioner.

- CCFWA engaged extensively with the Department of Jobs, Tourism, Science and Innovation on the development of the Western Australian Industry Participation Strategy.

- CCFWA participated in the Security of Payments Reform Industry Advisory Group, conducting internal consultation with members, attending industry workshops and making written submissions.

- CCFWA's *WA Infrastructure Report 2018*, produced in collaboration with BIS Oxford Economics, was launched at an event in November 2018.

- CCFWA CEO Jeff Miller met with Government and Opposition MPs to advocate the key messages in the WA Infrastructure Report.

## National

- Mr Jeff Miller represented CCFWA at CEO Group meetings.
- CCFWA Board Member Mr Mick Unger was the WA representative on the CCF National Board.
- Relevant branch personnel attended various national training and development meetings as required.

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

The Branch's principal activities resulted in a loss of \$281,258 (2017 loss of \$386,618).

The Branch did not acquire an asset or liability during the financial year as a result of

amalgamation under Part 2 of Chapter 3 of the Fair Work (Registered Organisations) Act and/or a determination or revocation by the Commissioner, Registered Organisations Commission.

The CCF Group is currently undertaking a restructure wherein the branches (including CCF National Office), will transfer their net operating assets to newly established companies limited by guarantee, for no consideration. It is envisaged the companies limited by guarantee will continue to be controlled by the branch executive / members, and that the state branches will ultimately be wound up. This is expected to occur prior to the end of the next financial year. The organisation's registration with the Fair Work Commission will remain.

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

There were no significant changes in the nature of the Western Australia Branch 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 Western Australia Branch.

## Number of Members RO reg 159(a)

The number of persons who, at the end of the financial year, were recorded on the Register of members was: 116 Members and 97 Associate Members. At the end of the previous financial year there were 127 Members and 99 Associate Members.

## Number of Employees RO reg 159(b)

The number of persons who were, at the end of the financial year, employees of the Western Australia Branch of the Branch was 4 measured on a full-time equivalent basis.

# OPERATING REPORT

## **Committee of Management Members *RO reg 159(c)***

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

<b>Name</b>	<b>Position</b>	<b>Period</b>
David Della Bona	President	01/07/2017 to 30/06/2018
Steve Tennant	Vice President	01/07/2017 to 30/06/2018
Stephen Pollard	Hon Treasurer	01/07/2017 to 30/06/2018
Mark Armstrong	Board Member	01/07/2017 to 30/06/2018
Stuart Buckby	Board Member	01/07/2017 to 30/06/2018
John Hovey	Board Member	01/07/2017 to 30/06/2018
Mike Reilly	Board Member	01/07/2017 to 30/06/2018
Timothy Ryan	Board Member	01/07/2017 to 30/06/2018
Michael Unger	Board Member	01/07/2017 to 30/06/2018

## **Officers or Members who are Superannuation Fund Trustee(s) or Director of a Company that is a Superannuation Fund Trustee where being a Member or Officer of a Registered Organisation is a criterion for them holding such position S254(2)(D)**

No officers and members hold positions 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 the Branch.



# OPERATING REPORT

## 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 Branch by written notice addressed and delivered to the Chief Executive Officer.

(b) A notice of resignation from membership of the Branch takes effect:

- (i) at the end of two weeks after the notice is received by the Branch: or
- (ii) on the day specified in the notice;

whichever is later.

(c) Any dues payable but not paid by a former Member of the Branch in relation to a period before the Member's resignation from the Branch took effect, may be sued for and recovered in the name of the Branch, in a court of competent jurisdiction, as a debt due to the Branch.

(d) A notice delivered to the person mentioned in subrule (1) shall be taken to have been received by the Branch when it was delivered.

(e) A notice of resignation that has been received by the Branch is not invalid because it was not addressed and delivered in accordance with sub rule (a) of Rule 9.

(f) A resignation from membership of the Branch is valid even if it is not effected in accordance with this section if the Member is informed in writing by or on behalf of the Branch that the resignation has been accepted.”

Signature of designated officer:



Name and title of designated officer: **David Della Bona, CCF WA President**

Dated: 9th August 2017

**Committee of Management Statement  
for the Year Ended 30 June 2018**

On August 13, 2018 the Civil Contractors Federation (WA Branch) Committee of Management passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2018:

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 any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (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; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
  - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) in relation to recovery of wage activity, there has been no recovery of wage activities during the year.

This declaration is made in accordance with a resolution of the Committee of Management.

Signature of designated officer:  .....

Name and title of designated officer: **David Della Bona, CCF WA President** .....

Dated: **August, 13 2018** .....

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE COMMITTEE OF MANAGEMENT OF THE  
CIVIL CONTRACTORS FEDERATION – WA BRANCH**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2018 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




MB Shulman  
Registered Company Auditor (163888)  
Holder of Current Public Practice Certificate  
Approved Auditor (FWC Act and Regulations – AA2018/45)

Dated: 13 August 2018

**Expenditure Report**  
**For the Year ended 30 June 2018**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2018.

	Note	2018 \$	2017 \$
<b>CATEGORIES OF EXPENDITURE</b>			
Remuneration and other employment-related costs and Expenses - employees		621,961	834,250
Advertising		227	58,163
Operating Costs		812,588	1,268,243
Donations to Political Parties		-	-
Legal Costs		-	1,015
<b>Total</b>		<b>1,434,776</b>	<b>2,161,671</b>

Signature of designated officer:  .....

Name and title of designated officer: **David Della Bona, CCF WA President** .....



**Statement of Profit or Loss  
for the Year Ended 30 June 2018**

	Note	2018	2017 \$
Revenues	3	1,153,518	1,775,053
Employee expenses	4g	(621,961)	(834,250)
Depreciation	4d	(23,484)	(127,144)
Bad and doubtful debts	4a	(9,310)	(27,000)
Accounting and audit fees	4b	(16,810)	(10,950)
Merchant fees and bank charges		(2,495)	(2,961)
National Levy	4f	(88,000)	(88,000)
Rental expenses	4c	-	1,431
Functions, seminars and conference costs		(252,019)	(279,751)
Training costs		(199,663)	(338,716)
Consultant costs		-	(2,412)
Travelling expenses		(18,218)	(46,381)
Motor Vehicle Expenses		(10,675)	(14,311)
Member Services		-	(11,926)
Other expenses from ordinary activities	4e	(192,141)	(317,989)
<b>Operating (Loss) / Profit from ordinary activities before income tax expense</b>		<b>(281,258)</b>	<b>(325,307)</b>
Restructuring Costs		-	(61,311)
<b>(Loss) / Profit before income tax expense</b>		<b>(281,258)</b>	<b>(386,618)</b>
Income Tax Expense	1a	-	-
<b>(Loss) / Profit after income tax expense attributable to the Branch</b>		<b>(281,258)</b>	<b>(386,618)</b>

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income  
for the Year Ended 30 June 2018**

	<b>2018</b> <b>\$</b>	<b>2017</b> <b>\$</b>
(Loss) / Profit for the period	(281,258)	(386,618)
Other Comprehensive Income for the period	-	-
Total (Loss) / Income for the period	(281,258)	(386,618)
Total Comprehensive (Loss) / Profit attributable to members of the organisation	(281,258)	(386,618)

The accompanying notes form part of the financial statements

**Statement of Financial Position  
as at 30 June 2018**

	Note	2018	2017 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	83,433	381,051
Trade and other receivables	6	569,069	744,328
Inventories	7	22,935	10,957
Other current assets	8	108,119	111,224
<b>TOTAL CURRENT ASSETS</b>		<b>783,556</b>	<b>1,247,560</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	9	2,150,801	2,213,533
Other non-current assets	8	26,557	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,177,358</b>	<b>2,213,533</b>
<b>TOTAL ASSETS</b>		<b>2,960,914</b>	<b>3,461,093</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	918,431	1,136,578
Short term provisions	11	73,218	73,992
<b>TOTAL CURRENT LIABILITIES</b>		<b>991,649</b>	<b>1,210,570</b>
<b>TOTAL LIABILITIES</b>		<b>991,649</b>	<b>1,210,570</b>
<b>NET ASSETS</b>		<b>1,969,265</b>	<b>2,250,523</b>
<b>MEMBERS' FUNDS</b>			
Accumulated Surplus		1,969,265	2,250,523
<b>TOTAL MEMBERS' FUNDS</b>		<b>1,969,265</b>	<b>2,250,523</b>

The accompanying notes form part of the financial statements

**Statement of Changes in Members' Funds  
for the Year Ended 30 June 2018**

	\$
Balance as at 1 July 2016	2,637,141
Profit /(Loss) attributable to members	<u>(386,618)</u>
Balance at 30 June 2017	<u>2,250,523</u>
	\$
Balance as at 1 July 2017	2,250,523
(Loss) / Profit attributable to members	<u>(281,258)</u>
Balance at 30 June 2018	<u>1,969,265</u>

The accompanying notes form part of the financial statements



**Statement of Cash Flows**  
**For the Year ended 30 June 2018**

	Note	2018	2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members and customers		1,328,240	1,917,728
Receipts from related entities – National Office		-	771
Receipts from related entities – Queensland Branch		-	98,182
Receipts from related entities – South Australia Branch		-	-
Receipts from related entities – Victoria Branch		-	3,280
Payments to suppliers and employees		(1,307,133)	(1,842,532)
Payments to related entities – National Office		(91,313)	(62,051)
Payments to related entities – Queensland Branch		(261,038)	(12,449)
Payments to related entities – Victoria Branch		(141)	-
Interest received		537	654
Interest and other costs of finance		-	-
<b>Net cash provided by operating activities</b>	15b	<b>(330,848)</b>	<b>103,583</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of plant and equipment		(4,102)	(5,231)
Purchase of Training Resources		-	-
Net disposals – sale of fixed assets		37,332	49,250
<b>Net cash (used in) investing activities</b>		<b>33,230</b>	<b>44,019</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Hire Purchase Contracts		-	(9,703)
<b>Net cash (used in) financing activities</b>		<b>-</b>	<b>(9,703)</b>
<b>Net (decrease)/increase in cash held</b>		<b>(297,618)</b>	<b>137,899</b>
Cash at the beginning of the financial year		381,051	243,152
<b>Cash at the end of the financial year</b>	15a	<b>83,433</b>	<b>381,051</b>

The accompanying notes form part of the financial statements

## Notes to the Financial Statements for the Year Ended 30 June 2018

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Civil Contractors Federation (WA Branch) is a 'not for profit' entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

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

#### Prior Year Comparatives

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

#### Accounting Policies

##### a. Income Tax

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

##### b. Cash and cash equivalents

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

##### c. Plant and Equipment

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

#### Cost and valuation

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

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

All other fixed assets are also measured at the lower of cost and fair value.

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

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

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

##### Depreciation

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

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

	2018	2017
Office, furniture and equipment	7.5%-66.66 %	7.5%-66.66 %
Motor vehicles	25%	25%
Buildings	2.5% (Straight line)	2.5% (Straight line)
Other Buildings Fitout	20%–33%	20%–33%

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

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

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

#### d. Trade and other Receivables

Trade and other receivable are recognised initially at fair value and are generally due for settlement within 30 days.

The collectability of debts is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivable is established when there is objective evidence that the Branch will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognised in the income statement as an expense.

#### e. Trade and other Payables

Trade payables and other accounts payable are recognised when the Branch becomes obliged to make future payments resulting from the purchase of goods and services. Trade accounts payable are normally settled within 30 days.

#### f. Financial Instruments

Financial instruments are initially measured at cost on trade date, which includes the transaction costs, when the related contractual rights or obligations exist.

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

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

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

#### g. Employee Benefits

##### Short-term employee benefits

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

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

##### Long-term employee benefits

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

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

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

##### Superannuation

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

The number of employees at the end of the period was 4.

#### h. Leases

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

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

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

**Notes to the Financial Statements  
for the Year Ended 30 June 2018 (cont'd)**

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

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

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

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

**j. Revenue**

The Branch recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of Civil Contractors Branch WA Branch's activities as discussed below:

The Branch executed an agreement with DEEWR wherein it received \$1.766 million from the department to assist with the funding of the construction of an Industry Skills Centre. As at reporting date, all funding has been received and the Centre was completed. The funding is being amortised to profit and loss over a 5-year period in accordance with funding agreement deliverables. The Centre is reflected in Note 9 and is being depreciated (i.e. the buildings) over its economic life.

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are then credited to income based upon the terms and conditions of the grant.

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

Revenue from the rendering of a service (including training subsidies) is recognised in proportion to the stage of completion of the service.

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

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

**k. Comparative figures**

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

**l. 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 Western Australia, 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 Western Australia.

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

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

#### m. Fair Value of Assets and Liabilities

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

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

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

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

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

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

#### n. National Office Levy

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

#### o. Critical Accounting Estimates and Judgments

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

##### *Key Estimates – Impairment*

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

No impairment has been recognised in respect of any assets for the year ended 30 June 2018, except as stated in this report.

##### *Key Judgments - Doubtful Debts Provision*

The Board have assessed each debtor and have estimated a provision for doubtful debts is required of \$9,680 (2017: \$55,000).



## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

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

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

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

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

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

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

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

- AASB 2014-7: *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)*.

AASB 2014-7: (issued December 2014) gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issue of AASB 9: *Financial Instruments (December 2014)*. More significantly, additional disclosure requirements have been added to AASB 7: *Financial Instruments: Disclosure regarding credit risk exposures of the entity*. This Standard also makes various editorial corrections to Australian Accounting Standards and an Interpretation.

AASB 2014-7 mandatorily applies to annual reporting periods beginning on or after 1 January 2018. Earlier application is permitted, provided AASB 9 (December 2014) is applied for the same period.

- AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

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

#### New Accounting Standards for Application in Future Periods (cont'd)

- The main changes introduced by the new Standard are as follows:
  - new lessee accounting requirements for leases at significantly below-market terms and conditions (commonly known as “peppercorn leases”) principally to enable the lessee to further its objectives. This requires the lessee to recognise the leased asset / right-of-use asset at fair value per AASB 13, the lease liability per AASB 117/AASB 16 and the residual as income (after related amounts) at the inception of the lease per AASB 1058;
  - recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
  - depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
  - inclusion of variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
  - application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
  - inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Although the Committee of Management anticipates that the adoption of AASB 16 will impact the entity's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 1058: *Income of Not-for-Profit Entities* (applicable to annual reporting periods beginning on or after 1 January 2019).

This Standard is applicable when an entity receives volunteer services or enters into other transactions where the consideration to acquire the asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives.

The significant accounting requirements of AASB 1058 are as follows:

- Income arising from an excess of the initial carrying amount of an asset over the related amount being contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.
- Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards. Income must be recognised in profit or loss when the entity satisfies its obligations under the transfer.

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

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

#### New Accounting Standards for Application in Future Periods (cont'd)

A private sector not-for-profit entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. Recognised volunteer services should be measured at fair value and any excess over the related amounts (such as contributions by owners or revenue) immediately recognised as income in profit or loss.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented in accordance with AASB 108 (subject to certain practical expedients); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract or transaction for which the entity has recognised all of the income in accordance with AASB 1004: *Contributions*.

Although the Committee of Management anticipates that the adoption of AASB 1058 may have an impact on the entity's financial statements, it is impractical at this stage to provide a reasonable estimate of such impact.

- AASB 2016-8: *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities*.

AASB 2016-8 (issued December 2016) inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9: *Financial Instruments* and AASB 15: *Revenue from Contracts with Customers* as a consequence of AASB 1058: *Income of Not-for-Profit Entities* (refer to [1-0900]).

AASB 2016-8 mandatorily applies to annual reporting periods beginning on or after 1 January 2019. Earlier application is permitted, provided AASB 1058 is applied for the same period.

This pronouncement is not expected to impact the Branch.

#### p. Information to be provided to Members or Commissioner, Registered Organisations Commission

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

Information to be provided to members or Commissioner:

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

## **Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)**

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

#### **q. Going Concern**

The Branch believes based on forecasts for the 2018 year, that a going concern basis continues to be appropriate. The Branch is not reliant on agreed financial support to continue as a going concern, nor has it agreed to provide such support to ensure other branches can operate as a going concern.

#### **2. Fund Analysis**

For the financial year ended 30 June 2018:

- there was no applicable fund or account operated in respect of compulsory levies, voluntary contributions or required by the rules of the Branch; and
- there was no transfer and/or withdrawal from a fund, account, asset or controlled entity which is kept for a specific purpose.

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

	2018	2017 \$
<b>NOTE 3: REVENUE</b>		
Operating activities:		
Membership Subscriptions	547,094	563,996
Functions	161,935	137,896
Interest Received	537	654
Training Subsidies	153,477	679,795
DEEWR Project Funding	-	183,755
Sponsorships	169,312	147,850
Publications	106,081	30,187
IMS and SCIMS	7,647	9,471
Other Income	1,417	6,449
Sale of NTRU Resource	-	-
Sundry Income	-	15,000
Loss on disposal of assets	6,018	-
Donations > \$1,000	-	-
Donations < \$1,000	-	-
Grants > \$1,000	-	-
Grants < \$1,000	-	-
Industry Rebates & Incentives	-	-
Financial Support (Branches)	-	-
Capitation Fees	-	-
Compulsory Levies and Voluntary Contributions (Other Bodies)	-	-
Other Revenue Derived from Undertaking Recovery of Wager Activity	-	-
<b>Total Revenue</b>	<b>1,153,518</b>	<b>1,775,053</b>
<b>NOTE 4: 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	(370)	-
Provision for doubtful debts	9,680	27,000
	<b>9,310</b>	<b>27,000</b>
<b>b. Accounting and Audit Fees</b>		
Accounting fees – other accountants	13,460	7,750
Auditor's remuneration – Financial Statement Audit (other services: \$nil (2017: \$nil))	3,350	3,200
	<b>16,810</b>	<b>10,950</b>
<b>c. Leases</b>		
Motor Vehicles	-	(1,431)
Rent on Premises	-	-
	<b>-</b>	<b>(1,431)</b>
<b>d. Depreciation</b>		
Plant and equipment	23,484	127,144
	<b>23,484</b>	<b>127,144</b>

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

### NOTE 4: PROFIT FROM ORDINARY ACTIVITIES (cont'd)

#### e. Other expenses comprise:

	2018 \$	2017 \$
Meeting expenses	(165)	1,859
Postage	2,140	4,570
Communication expenses	20,271	21,748
Stationery	18,629	16,103
Insurance expenses	13,094	14,634
Cleaning expenses	8,776	11,632
Electricity, Gas and Water	23,792	21,365
Repairs & Maintenance	8,239	23,424
Resource Development Amortisation	-	37,662
Borrowing Costs Amortisation	-	-
Publication Costs	-	28,253
Legal costs – Litigation	-	1,015
Legal costs – Consultation (Other Matters)	-	-
Subscriptions	16,138	1,729
Penalties – via RO Act or Regulations	942	-
Consideration to Employers for Payroll Deductions	-	-
Attendance Allowance / Fees – Meetings & Conferences	-	-
Compulsory & Voluntary Levies	-	-
Donations < \$1,000	-	-
Donation > \$1,000	-	-
Grants < \$1,000	-	-
Grants > \$1,000	-	-
License Fees	5,175	17,211
Affiliation Fees	-	-
Capitation Fees	-	-
Loss on disposal of assets	-	4,285
Other/Sundry	75,110	112,499
	<b>192,141</b>	<b>317,989</b>

#### f. Levy

National office levy	88,000	88,000
	<b>88,000</b>	<b>88,000</b>

The levy is imposed by the CCF National Office to assist in funding the National Office operations. No other levies (compulsory or otherwise) were paid by the Branch (2017: \$nil).

#### g. Employee related expenses

Salaries	536,062	721,495
Superannuation	50,101	68,047
Employee benefits (annual leave and long service leave)	(774)	(6,407)
Separation and redundancies	2,942	-
Payroll tax	30,650	46,615
Training and recruitment	2,980	4,500
Other employee expenses	-	-
	<b>621,961</b>	<b>834,250</b>



**Notes to the Financial Statements  
for the Year Ended 30 June 2018 (cont'd)**

**NOTE 4: PROFIT FROM ORDINARY ACTIVITIES (cont'd)**

**h. Expenses – Financial Affairs Administered by Other Entities**

For the financial year ended 30 June 2018, external costs paid to KPMG were incurred relating to accounting and bookkeeping to CCF WA.

Monthly invoicing occurs for this service. For the financial year ended 30 June 2018, a total of \$13,460 was incurred to this entity.

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

	2018	2017 \$
<b>NOTE 5: CASH AND CASH EQUIVALENTS</b>		
<b>Current</b>		
Cash on hand	136	348
Cash at bank	83,297	380,703
	<u>83,433</u>	<u>381,051</u>

The weighted average interest rate for cash as at 30 June 2018 is 0.5% (2017: 1.05%).

## NOTE 6: TRADE AND OTHER RECEIVABLES

### a. Current

Trade debtors	578,749	758,524
	<u>578,749</u>	<u>758,524</u>
Less: Provision for doubtful debts	(9,680)	(55,000)
	<u>569,069</u>	<u>703,524</u>
Other debtors	-	40,804
	<u>569,069</u>	<u>744,328</u>

### b. Terms and Conditions

Trade debtors relate to services provided, they are non-interest bearing and are unsecured. Trade debtors relating to training carry terms of up to 90 days. All other trade debtors carry settlement terms of 30 days. No debtor at year end exceeds trading terms except where provided for above.

Details of the trade debtors owing from related parties are outlined at Note 14f. Sundry debtors (where recognised) are non-interest bearing and unsecured.

## NOTE 7: INVENTORIES

### a. Current

Training Materials and Publications at net realisable value	-	10,957
National Training Resource Unit Stock	22,935	-
	<u>22,935</u>	<u>10,957</u>

## NOTE 8: OTHER ASSETS

### Current

Prepayments	108,119	111,224
	<u>108,119</u>	<u>111,224</u>

### Non Current

Training Materials	26,557	-
	<u>26,557</u>	<u>-</u>

### a. Other Current and Non-Current Assets

Other non-current assets represent resources/projects being amortised over their economic lives (maximum period of amortisation: 5 years), once they commence generating revenue.

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

	2018	2017 \$
<b>NOTE 9: PLANT AND EQUIPMENT</b>		
Motor vehicles – at cost	61,420	203,310
Less: Accumulated depreciation	(48,643)	(146,702)
	12,777	56,608
Plant and equipment – at cost	825,368	893,222
Less: Accumulated depreciation	(635,670)	(689,007)
	189,698	204,215
Land – at cost	843,229	843,229
Buildings (Skills Centre) – at cost	1,291,255	1,291,255
Less: Accumulated depreciation	(186,158)	(181,774)
	1,105,097	1,109,481
Total plant and equipment – net book value	2,150,801	2,213,533
<b>Reconciliation of movements in plant and equipment</b>		
<b>Motor vehicles – at cost</b>		
Carrying amount at beginning of the year	56,608	127,643
Disposals	(42,592)	(44,169)
Depreciation expense	(1,239)	(26,866)
Carrying amount at end of the year	12,777	56,608
<b>Plant and equipment</b>		
Carrying amount at beginning of the year	204,215	278,206
Additions	-	5,231
Disposals	(758)	-
Depreciation expense	(13,759)	(79,222)
Carrying amount at end of the year	189,698	204,215
<b>Land</b>		
Carrying amount at beginning of the year	843,229	843,229
Carrying amount at end of the year	843,229	843,229
<b>Buildings</b>		
Carrying amount at beginning of the year	1,109,481	1,135,973
Transfer from other assets	4,102	-
Depreciation expense	(8,486)	(26,492)
Carrying amount at end of the year	1,105,097	1,109,481
Total	2,150,801	2,213,533

### Skills Centre

The Branch executed an agreement with DEEWR wherein it received \$1.766 million from the department to assist with the funding of the construction of an Industry Skills Centre. The funding has been amortised to profit and loss over a 5-year period in accordance with funding agreement deliverables. Final amortisation was completed in the 2017 financial year. The Centre is reflected in Note 9 and is being depreciated (i.e. the buildings) over its economic life.

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

	2018	2017 \$
<b>NOTE 10: TRADE AND OTHER PAYABLES</b>		
<b>a. Current</b>		
Deferred income	664,413	732,335
Trade creditors	187,909	117,311
Sundry creditors and accruals	66,109	286,932
	<u>918,431</u>	<u>1,136,578</u>

**b. Terms and Conditions**

Deferred income relates to cash receipts for membership fees, training and advertising revenue received for the 2018/19 year and project funding received for 2018/19 and beyond.

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

Details of the trade payables owing from related parties are outlined at Note 14f.

**NOTE 11: PROVISIONS**

<b>a. Current</b>		
Provisions for annual leave – staff	39,484	40,790
Provisions for long service leave – staff	33,734	33,202
	<u>73,218</u>	<u>73,992</u>
<b>b. Number of employees at year-end</b>	<u>4</u>	<u>5</u>

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

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	2018 \$	2017 \$	2018 \$	2017 \$	2018 \$	2017 \$
Officeholders	-	-	-	-	-	-
Other Staff	39,484	40,790	33,734	33,202	73,218	73,992
Total	39,484	40,790	33,734	33,202	73,218	73,992

	Separation and Redundancy Provisions		Other Employee Provisions		Total	
	2018 \$	2017 \$	2018 \$	2017 \$	2018 \$	2017 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	-	-	-	-	-
Total	-	-	-	-	-	-

There are no provisions for separation and redundancy or other provisions for officeholders or other employees (2017: \$nil)

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

### Provision for Employee Benefits

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

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

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

### NOTE 12:

Employee Benefits	Elected Officials (Office holders)		Employees (other than Elected Officials)		Total	
	2018 \$	2017 \$	2018 \$	2017 \$	2018 \$	2017 \$
Employee benefits paid / accrued during the year						
Wages and Salaries	-	-	536,062	721,495	536,062	721,495
Annual Leave and Long Service Leave	-	-	(774)	(6,407)	(774)	(6,407)
Redundancy Payments	-	-	2,942	-	2,942	-
Superannuation	-	-	50,101	68,047	50,101	68,047
Other Employee Expenses	-	-	33,630	51,115	33,630	51,115
Total	-	-	621,961	834,250	621,961	834,250

There were no share based payments to officeholders or staff in 2018 or 2017. There were no other employee expenses paid in 2018 (2017: \$Nil).



## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

### NOTE 13: FINANCIAL RISK MANAGEMENT

#### Financial Risk Management Policies

The Branch's financial instruments consist mainly of deposits with banks, short term investments, accounts receivable and payable, and investments in an unlisted company. The Branch does not have any derivative instruments at 30 June 2018.

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

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

#### ii. Treasury Risk Management

The Branch Board members 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 and credit risk**

The Branch manages these risks by monitoring its cashflows and 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 2018, 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:

	2018 \$	2017 \$
<b>Change in profit/(loss)</b>		
Increase in interest rate by 1%	833	3,807
Decrease in interest rate by 1%	(833)	(3,807)
<b>Change in equity</b>		
Increase in interest rate by 1%	833	3,807
Decrease in interest rate by 1%		(3,807)

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

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

### NOTE 13: FINANCIAL RISK MANAGEMENT (cont'd)

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

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	1 year or less \$	Fixed Interest Rate Maturities 1 to 5 years \$	Over 5 years \$	Non Interest Bearing \$	Total \$
<b>30 June 2018</b>							
<b>Assets:</b>							
Cash	.05%	83,297	-	-	-	136	83,433
Trade and Sundry Debtors			-	-	-	569,069	569,069
		83,297	-	-	-	569,205	652,502
<b>Liabilities:</b>							
Sundry Creditors & Other Liabilities		-	-	-	-	(918,431)	(918,431)
		-	-	-	-	(918,431)	(918,431)
Net financial assets		83,297	-	-	-	(349,226)	(265,929)
<b>30 June 2017</b>							
<b>Assets:</b>							
Cash	1.05	380,703	-	-	-	348	381,051
Trade and Sundry Debtors			-	-	-	744,328	744,328
		380,703	-	-	-	744,676	1,125,379
<b>Liabilities:</b>							
Sundry Creditors & Other Liabilities		-	-	-	-	-	-
		-	-	-	-	(1,136,578)	(1,136,578)
		-	-	-	-	(1,136,578)	(1,136,578)
Net financial assets		380,703	-	-	-	(391,902)	(11,199)

#### Credit Risk Exposure

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

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

#### iv. Net Fair Values

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

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

### NOTE 14: RELATED PARTIES

#### a. WA Branch Board members

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

Michael Unger, David Della Bona, Steve Tennant, Stephen Pollard, John Hovey, Stuart Buckby, Tim Ryan, Mark Armstrong and Mike Reilly.

Members of the WA Branch Board received no attendance fees during the year, nor do they accrue any entitlements.

The officeholders received no 'non cash' benefits (2017: \$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.

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

Jeff Miller - Chief Executive Officer

Kirsty O'Sullivan – Office Manager (Terminated 31 January 2018)

	2018			2017		
	\$			\$		
<b>c. Key Management Personnel Remuneration</b>	<b>Short Term Benefits</b>	<b>Post Employment Benefits</b>	<b>Total</b>	<b>Short Term Benefits</b>	<b>Post Employment Benefits</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$
Total Compensation	245,868	23,330	269,198	296,018	28,122	324,140
	2018			2017		
	\$			\$		
<b>d. Annual Leave and Long Service Leave Accrued for Key Management Personnel</b>	<b>Annual Leave</b>	<b>Long Service Leave</b>	<b>Total</b>	<b>Annual Leave</b>	<b>Long Service Leave</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$
Total Leave Provision	22,592	37,053	59,645	19,836	33,202	53,038

No termination benefits or share based payments were received, nor any other benefits by key personnel.

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

### NOTE 14: RELATED PARTIES (cont'd)

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

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

Levy Payment – National Office	<b>2018</b>	<b>2017</b>
	\$	\$
During the year, the WA Branch paid a National capitation levy calculated in accordance with the rules.	88,000	88,000

Other sundry income/charges between the WA Branch and other reporting units are set out below, and were on normal commercial terms and conditions.

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

Unsecured and interest free amounts receivable/(payable) at reporting date	<b>2018</b>	<b>2017</b>
	\$	\$
National Office	(29,435)	(35,026)
Queensland Branch	(79,084)	(221,623)
Victoria Branch	-	330
	(108,519)	(256,319)
Reconciliation- related entity loans		
<b>National Office</b>		
Carrying amount at beginning of the year	(35,026)	(6,218)
Levy charged	(88,000)	(88,000)
Sundry charges	-	(2,859)
Sundry income	2,278	771
Receipts	-	(771)
Payments made	91,313	62,051
Carrying amount at end of the year	(29,435)	(35,026)
<b>Queensland Branch</b>		
Carrying amount at beginning of the year	(221,623)	97,357
Sundry charges	(118,499)	(248,956)
Sundry income	-	14,884
Receipts	-	(98,182)
Payments made	261,038	13,274
Carrying amount at end of the year	(79,084)	(221,623)
<b>Victoria Branch</b>		
Carrying amount at beginning of the year	330	1,740
Sundry income	-	1,870
Sundry charges	(471)	-
Receipts	-	(3,280)
Payment made	141	-
Carrying amount at end of the year	-	330

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. An impairment assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Notes to the Financial Statements  
for the Year Ended 30 June 2018 (cont'd)**

	2018	2017 \$
<b>NOTE 15: CASH FLOW INFORMATION</b>		
<b>a. Reconciliation of Cash</b>		
Cash on hand	136	348
Cash at bank	83,297	380,703
	83,433	381,051
<b>b. Reconciliation of profit from ordinary activities after income tax to net cash provided by operating activities</b>		
Operating (loss) / profit after income tax	(281,258)	(386,618)
<b>Non-cash flows in profit from ordinary activities</b>		
- Depreciation	23,484	127,144
- Amortisation – Resource Development	-	37,662
- (Profit) / Loss on sale of fixed assets	6,018	(5,081)
- Loss on disposal of investments	-	12,500
<b>Changes in assets and liabilities</b>		
Decrease/(Increase) in receivables	175,259	306,428
Decrease/(Increase) in inventories	(11,978)	2,627
Decrease/(Increase) in other assets	(23,452)	(7,607)
(Decrease)/Increase in payables and other creditors	(218,147)	34,427
(Decrease)/Increase in provisions	(774)	(17,899)
<b>Net cash provided by operating activities</b>	<b>(330,848)</b>	<b>103,583</b>



## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

	2018	2017
		\$
<b>NOTE 16: OPERATING COMMITMENTS</b>		
<b>Operating Lease Commitments – as lessee</b>		
Future minimum rentals payable under non-cancellable operating leases at 30 June are:		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
- Within one year	13,862	9,255
- After one year but not more than five years	17,298	28,177
- More than five years	-	-
<b>Operating Lease Commitments – as lessor</b>		
Future minimum rentals payable under non-cancellable operating leases at 30 June are:		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
- Within one year	-	-
- After one year but not more than five years	-	-
- More than five years	-	-

### NOTE 17: FINANCE LEASE COMMITMENTS

At 30 June 2018, the entity has nil finance lease commitments.

### NOTE 18: CAPITAL COMMITMENTS

At 30 June 2018, the entity has nil capital commitments.

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

### NOTE 19: FAIR VALUE MEASUREMENT

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

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

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

#### a. Fair Value Hierarchy

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

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

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

#### Valuation Techniques

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

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

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

### NOTE 19: FAIR VALUE MEASUREMENT (cont'd)

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

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

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

	30 June 2018			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Recurring fair value measurements</b>				
<i>Financial assets</i>				
Financial assets at fair value through profit or loss:				
Available-for-sale financial assets:	-	-	-	-
<b>Total financial assets recognised at fair value</b>	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	1,948,326	-	1,948,326
<b>Total non-financial assets recognised at fair value</b>	-	1,948,326	-	1,948,326

	30 June 2017			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Recurring fair value measurements</b>				
<i>Financial assets</i>				
Financial assets at fair value through profit or loss:				
Available-for-sale financial assets:	-	-	-	-
<b>Total financial assets recognised at fair value</b>	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	1,952,710	-	1,952,710
<b>Total non-financial assets recognised at fair value</b>	-	1,952,710	-	1,952,710

## Notes to the Financial Statements for the Year Ended 30 June 2018 (cont'd)

### NOTE 19: FAIR VALUE MEASUREMENT (cont'd)

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

Description	Fair Value at 30 June 2018 \$	Fair Value at 30 June 2017 \$	Valuation Technique(s)	Inputs Used
<i>Non-financial assets</i>				
Financial assets at fair value through profit or loss:	1,948,326	1,952,710	Market approach using recent observable market data or income approach using discounted cash flows	Price per square metre, market borrowing rate
Available-for-sale financial assets:	-	-	Market approach using recent observable market data or discounted cashflows	Price per share, market borrowing rate
	1,948,326	1,952,710	-	-

#### c. Disclosed Fair Value Measurements

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

- accounts receivable and other debtors;
- accounts payable and other payables; and
- hire purchase liabilities.

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

Description	Fair Value at Hierarchy Level	Valuation Technique(s)	Inputs Used
<i>Assets</i>			
Accounts receivable and other debtors	3	Income approach using discounted cash flow methodology	Market interest rates for similar assets
<i>Liabilities</i>			
Accounts payable and other payables	3	Income approach using discounted cash flow methodology	Market interest rates for similar assets
Hire purchase liabilities	2	Income approach using discounted cash flow methodology	Current commercial borrowing rates for similar instruments

### NOTE 20: SUBSEQUENT EVENTS

The CCF Group is currently undertaking a restructure wherein the branches (including CCF WA), will transfer their net operating assets to newly established companies limited by guarantee, for no consideration. It is envisaged the companies limited by guarantee will continue to be controlled by the branch executive / members, and that the branches will ultimately be wound up. This is expected to occur prior to the end of the next financial year.

**Notes to the Financial Statements  
for the Year Ended 30 June 2018 (cont'd)**

**NOTE 21: CONTINGENT ASSETS OR LIABILITIES**

The Branch is not aware of to any material contingent assets and/or liabilities at balance date.

**NOTE 22: ECONOMIC DEPENDENCY**

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

**NOTE 23: OTHER DISCLOSURES**

The Branch did not enter into any agreement to receive financial support from any other reporting unit during the year so as it could continue on a going concern basis, nor did it enter into any agreement to provide financial support to other reporting units this year so that those reporting units could continue on a going concern basis. Except as disclosed in the Statement of Profit and Loss, there were no expenses in connection with holding meetings of members of the Branch and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the Branch was wholly or partly responsible.

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

At 30 June 2018, a total amount of \$nil was payable in respect of legal costs (relating to 'other matters') (2017: \$7,722). No payable exists at reporting date in respect of consideration to payroll deductions of membership subscriptions (2017: \$nil).

**NOTE 24: BRANCH DETAILS**

The registered office and the principal place of business of the Branch is:  
Civil Contractors Branch (WA Branch)  
70 Verde Drive  
Jandakot WA 6164

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

To the Members of Civil Contractors Federation – WA Branch

### **Report on the Audit of the Financial Report**

#### ***Auditor's Opinion***

We have audited the financial report of Civil Contractors Federation (WA Branch), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2018, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Civil Contractors Federation (WA Branch) as at 30 June 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the WA Branch is appropriate.

#### ***Basis for Opinion***

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. We are independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### **Information Other than the Financial Report and Auditor's Report Thereon**

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **INDEPENDENT AUDIT REPORT (Cont'd)**

### **Responsibilities of Committee of Management for the Financial Report**

The Committee of Management of WA Branch is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Committee of Management is responsible for assessing WA Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate WA Branch or to cease operations, or have no realistic alternative but to do so.

### ***Auditor's Responsibilities for the Audit of the Financial Report***

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the CCF WA audit. We remain solely responsible for our audit opinion.

**INDEPENDENT AUDIT REPORT**  
**(Cont'd)**

We communicated with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

No revenue has been derived from undertaking recovery of wages activity during the 2018 financial year, as confirmed in the Committee of Management statement.

*Stannards Accountants & Advisors*

Stannards Accountants and Advisors



Michael B Shulman  
Partner

Melbourne, VIC  
Dated: 13 August 2018

Registered Company Auditor (163888)  
Holder of Current Public Practice Certificate  
Approved Auditor (FWC Act and Regulations – AA2018/45)



CIVIL CONTRACTORS FEDERATION  
WESTERN AUSTRALIAN BRANCH

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