



**CIVIL CONTRACTORS
FEDERATION**

**CIVIL CONTRACTORS FEDERATION
(ACT BRANCH)**

ABN 43 071 303 562

**Financial Report
for the Period Ended
31 December 2018**

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**Operating Report
for the Period Ended 31 December 2018**

The National Board of Civil Contractors Federation (CCF) presents the operating report on Civil Contractors Australian Capital Territory Branch (CCF ACT) for the period ended 31 December 2018.

Principal Activities s254(2) (9a)

The principal activities of the Branch during the financial period were to promote, protect and advance the interest of its members engaged in any manner of civil contracting and/or ancillary industries.

The Branch predominantly operated in one business and geographical segment, being a representative body of civil construction contractors in Australian Capital Territory, 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 awards rates of and work practices to members of the Branch throughout Australian Capital Territory. The Branch represented its members and the public at all levels of Government and lobbies for concessions relating to civil construction and business trade.

Results of principal activities s254(2)(a)

The Branch's principal activities generated in a trading profit of \$7,184 for the period ended 31 December 2018, before providing for a 'significant item of expense' of \$73,912 (refer below) relating to the disbandment of the Branch (30 June 2018 loss: \$4,335).

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

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

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

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

There were no significant changes in the nature of the Branch's principal activities during the financial period, except that on 31 December 2018, the Branch was disbanded and its net assets transferred to CCF for no consideration in accordance with the approval of members and the Fair Work Commission.

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

Refer to Note 1 'Disbandment of Branch' relating to circumstances during the period which significantly affect the financial affairs of the Branch.

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 held 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.

Number of Members reg 159(a)

The number of persons who, at the end of the financial period, were recorded on the Register of members was: 23 Members. At the end of the previous financial year there were 21 Members.

Number of Employees reg 159(b)

The number of persons who were, at the end of the financial period, employees of the Australian Capital Territory Branch of the Federation was nil. (30 June 2018: nil).

**Operating Report
for the Period Ended 31 December 2018**

ACT Branch Board Members reg 159(c)

The persons who held office as members of the Board of the ACT Branch during the period until its disbandment were:

Name	Position	Status
Peter Middleton	President	1-7-2018 to 31-12-2018
Anisha Sachdeva	Vice President	30-7-2018 to 31-12-2018
Martin Boyd	Vice President	1-7-2018 (resigned)
Nigel Forde	Treasurer	1-7-2018 to 31-12-2018
Nick Zardo	Board Member and National Board Member	1-7-2018 to 31-12-2018
Stuart Ritchie	Board Member	1-7-2018 to 31-12-2018
Paul Macor	Board Member	1-7-2018 to 31-12-2018
Rory Goodsell	Board Member	1-7-2018 to 31-12-2018
Anisha Sachdeva	Board Member	1-7-2018 to 29-7-2018

Following disbandment, the responsibility for presentation and approval of the financial report of the ACT Branch rested with the National Board of CCF.

**Operating Report
for the Period Ended 31 December 2018**

Manner of resignation

Members could 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 sub-rule (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: Michael Unger, National President

Dated: 7th May 2019

**National Board Statement
for the Period Ended 31 December 2018**

On 7th May 2019 the Civil Contractors Federation National Board passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the period ended 31 December 2018:

The National Board 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 period to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit could pay its debts as and when they become due and payable prior to disbandment; and
- (e) during the period to which the GPFR relates:
 - (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.

This declaration is made in accordance with a resolution of the National Board of CCF.

Signature of designated officer:



Name and title of designated officer: Michael Unger, National President

Dated: 7th May 2019

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

We declare that, to the best of our knowledge and belief, during the period ended 31 December 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 7th May 2019

Expenditure Report For the Period ended 31 December 2018

The National Board of CCF presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the period ended 31 December 2018.

Note	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
CATEGORIES OF EXPENDITURE		
Remuneration and other employment-related costs and expenses - employees	-	-
Advertising	-	3,864
Operating Costs	5,965	13,936
Donations to Political Parties	-	-
Legal Costs	-	-
Total	5,965	17,800

Signature of designated officer:

Name and title of designated officer: Michael Unger, National President

Dated: 7th May 2019

**Statement of Profit or Loss
for the Period Ended 31 December 2018**

	Note	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
Revenue	3	13,149	13,465
National Levy	4d	(5,217)	(5,500)
Audit & Accounting Fees	4b	-	(1,900)
Bad and Doubtful Debts	4a	-	-
Bank Charges		(60)	(120)
Conference & Meeting Expenses	4c	-	(3,397)
Other Expenses	4f	(688)	(6,883)
Profit / (Loss) from ordinary activities		7,184	(4,335)
Significant Item of Expense	12c	(73,912)	-
Profit / (Loss) from ordinary activities after Significant Item of Expense		(66,728)	(4,335)
Income tax expense	1a	-	-
Profit / (loss) from ordinary activities after income tax expense attributable to the Federation		(66,728)	(4,335)

The accompanying notes form part of the financial statements

Statement of Comprehensive Income for the Period Ended 31 December 2018

	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
Profit / (Loss) for the period	(66,728)	(4,335)
Other Comprehensive Income for the period (net of tax)	-	-
Total Comprehensive (Loss) / Income for the period	(66,728)	(4,335)
Total Comprehensive (Loss) / Income attributable to members of the organisation	(66,728)	(4,335)

The accompanying notes form part of the financial statements

**Statement of Financial Position
as at 31 December 2018**

	Note	31 December 2018 \$	30 June 2018 \$
CURRENT ASSETS			
Cash and cash equivalents	5	-	67,921
Trade and other receivables	6	-	987
TOTAL CURRENT ASSETS		-	68,908
TOTAL ASSETS		-	68,908
CURRENT LIABILITIES			
Trade and other payables	7	-	2,180
TOTAL CURRENT LIABILITIES		-	2,180
TOTAL LIABILITIES		-	2,180
NET ASSETS		-	66,728
MEMBERS' FUNDS			
Accumulated Surplus		-	66,728
TOTAL MEMBERS' FUNDS		-	66,728

The accompanying notes form part of the financial statements

**Statement of Changes in Members' Funds
for the Period Ended 31 December 2018**

	31 December 2018	30 June 2018
	\$	\$
Retained Earnings Balance as at 1 July 2018	66,728	71,063
(Loss) / Profit attributable to members	(66,728)	(4,335)
Balance at 31 December 2018	-	66,728

The accompanying notes form part of the financial statements

Statement of Cash Flow
For the Period ended 31 December 2018

	Note	31 December 2018 \$	30 June 2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		11,973	13,200
Payments to suppliers and employees		(436)	(5,812)
Payments to related entities – National Office		(4,759)	(11,861)
Interest received		119	265
Net cash provided by / (used in) operating activities	12b	6,897	(4,208)
Net increase / (decrease) in cash held		6,897	(4,208)
Cash at the beginning of the financial year		67,921	72,129
Transfer of cash to CCF on disbandment of Branch		(74,818)	-
Cash at the end of the financial year	12a	-	67,921

The accompanying notes form part of these financial statements

Notes to the Financial Statements for the Period Ended 31 December 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 (ACT Branch) is a 'not for profit' entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost. 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. Given the disbandment of the Branch effective at 31 December, 2018 – refer the note below, the financial statements have not been prepared on a going concern basis, all assets and liabilities having been transferred to Civil Contractors Federation on that date. Rather, the financial report and in particular the assets and liabilities of the branch, prior transfer, were measured on a "liquidation" basis which reflected their recoverable values and expected settlement amounts as at the date of transfer.

The financial statements are presented in Australian dollars.

The financial report covers Civil Contractors Federation (ACT Branch) as an Individual entity. Civil Contractors Federation (ACT Branch) was a Federation incorporated in Australian Capital Territory under the Fair Work (Registered Organisations) Act 2009 until the date of disbandment referred to above.

Disbandment of Branch

In accordance with a resolution made by the National Board of CCF on 16 November, 2018, with effect from 31 December, 2018, CCF adopted a new constitution and rules which were certified by the Fair Work Commission. It was also resolved that effective as at 31 December, 2018, all assets, liabilities and undertakings of the branch be transferred for \$nil consideration to CCF at which point in time, the branch would be disbanded. Set out below is a summary of the assets, liabilities and undertakings transferred by the branch to CCF as at 31 December, 2018:

	\$
Cash	74,818
Trade Receivables	1,925
Trade and Other Payables	(2,831)
Net Assets	73,912

On the basis that \$nil consideration was received for this transfer, an amount of \$0.074 million has been reported as a "Significant Item of Expense" in the Statement of Profit/Loss and Other Comprehensive Income.

As set out in the bases of accounting note, the Branch will no longer operate and hence is not a going concern as at the date of this financial report.

Prior Year Comparatives

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

Notes to the Financial Statements for the Period Ended 31 December 2018

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

Accounting Policies

a. Income Tax

The Federation Is registered under the Fair Work (Registered Organisations) Act 2009 and, is believed to have been 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 included 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. Financial Instruments

Financial instruments were 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 have been recognised in the Statement of Profit and Loss.

d. 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. Other 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 other 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.

Notes to the Financial Statements for the Period Ended 31 December 2018

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

Accounting Policies

d. Employee Benefits (cont'd)

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 nil.

e. Trade and other Receivables

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

The collectability of debts has been reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivable was 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 was recognised in the income statement as an expense.

f. Trade and other Payables

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

g. Leases

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

Finance leases were 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 were depreciated on a straight line basis over their estimated useful lives where it is likely that the Branch would obtain ownership of the asset over the term of the lease. Lease payments were 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, were charged as expenses in the periods in which they were incurred.

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

Notes to the Financial Statements for the Period Ended 31 December 2018 (cont'd)

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

h. Goods and Services Tax (GST)

Revenues, expenses and assets have been 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 has been recognised as part of the cost of acquisition of the asset or as part of an item of expense, and 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.

i. Revenue

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 is recognised in proportion to the stage of completion of the service (this includes any grant income received/receivable).

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

j. Operating Segment

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

The Branch operated predominantly in one business and geographical segment, being a representative body of civil engineering contractors in ACT 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 ACT Australia.

k. Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash and cash equivalents include cash on hand, cash at bank and investments in money market instruments.

l. Fair Value of Assets and Liabilities

The Branch measured 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 were 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.

Notes to the Financial Statements for the Period Ended 31 December 2018 (cont'd)

I. Fair Value of Assets and Liabilities (cont'd)

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 took 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 have been 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 was not available, other valuation techniques were adopted and, where significant, detailed in the respective note to the financial statement.

m. Critical Accounting Estimates and Judgements

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 period ended 31 December 2018, except as stated in this report.

Key Judgements - Doubtful Debts Provision

The Board assessed each debtor and estimated no provision for doubtful debts was required except as disclosed at Note 6. The Board believes that the full amount of the remaining debtors was recoverable.

Notes to the Financial Statements for the Period Ended 31 December 2018 (cont'd)

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

o. New Accounting Standards for Application in Future Periods

The AASB issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which would have been relevant to the entity. The Committee of Management and CCF Board decided not to early adopt any of the new and amended pronouncements as at the date of disbandment.

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).

q. Going Concern

Given the disbandment of the branch effective at 31 December 2018, the financial statements have not been prepared on a going concern basis, all assets and liabilities having been transferred to Civil Contractors Federation on that date. Rather, the financial report and in particular the assets and liabilities of the branch, prior transfer, were measured on a "liquidation" basis which reflected their recoverable values and expected settlement amounts as at the date of transfer.

The Branch has not been reliant on any agreed financial support to continue as a going concern, nor has it agreed to provide such support to ensure other branches operated as a going concern.

2. FUND ANALYSIS

For the financial period ended 31 December 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; and
- there is no balance within the general fund.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 3: REVENUE		
Operating activities:		
Membership Income (Subscriptions)	13,030	13,200
Interest	119	265
Sponsorship	-	-
Functions	-	-
Sundry Income	-	-
Capitation Fee	-	-
Affiliation Fees	-	-
Compulsory Levies	-	-
Donations > \$1,000	-	-
Donations < \$1,000	-	-
Grants > \$1,000	-	-
Grants < \$1,000	-	-
Financial Support- other Branches	-	-
Other Revenue Derived From Undertaking Recovery of Wager Activity	-	-
Total Revenue	13,149	13,465
NOTE 4: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
The operating profit/(loss) of the Branch before income tax expense has been determined after:		
a. Bad and Doubtful Debts		
Bad debts written off to expense	-	-
Provision for doubtful debts	-	-
	-	-
b. Auditor's Remuneration		
Accounting fees – other parties	-	-
Auditor's remuneration – Audit of Financial Statements (other services - \$nil (30 June 2018: \$nil))	-	1,900
	-	1,900
c. Conference & Meeting Expenses		
Meeting costs	-	3,397
	-	3,397

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 4: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
d. Levy		
National office levy	5,217	5,500
The levy is imposed by the CCF National Office to assist in funding the National Office operations.		
e. Employee related		
Wages & Salaries	-	-
Superannuation	-	-
Employee benefits (leave and other entitlements)	-	-
Payroll Tax	-	-
Training and recruitment	-	-
Other employee expenses	-	-
Separation and redundancy	-	-
f. Other expenses		
Advertising	-	3,864
Internet Costs	232	514
Licensing Fees	456	627
Affiliation Fees	-	-
Attendance Allowance / Fee – Meetings & Conferences	-	-
Penalties – via RO Act or Regulations	-	-
Holding Meetings	-	-
Other Compulsory Levies	-	-
Consideration to Employers for Payroll Deductions of Membership Subscriptions	-	-
Donations < \$1,000	-	-
Donations > \$1,000	-	-
Grants < \$1,000	-	-
Grants > \$1,000	-	-
Public Relations	-	-
Legal costs – Litigation	-	-
Legal Costs – Consultation (Other Matters)	-	-
Sponsorship	-	-
Subscriptions – Political Parties etc.	-	-
Subscriptions	-	-
Forgiveness of Loans	-	-
Consulting Fees	-	-
Other / Sundry	-	1,873
Capitation fees (other than levies)	-	-
	688	6,883

g. Expenses – Financial Affairs Administered by Other Entities

For the financial period ended 31 December 2018, there was \$nil incurred for any financial affairs administered by other entities (30 June 2018: \$nil).

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 5: CASH AND CASH EQUIVALENTS		
Current		
Cash at bank	-	67,921
	-	67,921

The weighted average interest rate for cash as at 31 December 2018 was 0.4% (30 June 2018: 0.5%)

NOTE 6: TRADE AND OTHER RECEIVABLES

a. Current

Trade debtors	-	-
Less: Provision for doubtful debts	-	-
	-	-
Other sundry debtors	-	987

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.

Details of the trade debtors owing from related parties are outlined at Note 11.

Other debtors are non-interest bearing and unsecured. This amount includes GST receivable, relating to goods and services tax that can be recovered from the Australian Taxation Office.

No trade debtors are 'past due' or 'impaired' this year (30 June 2018: \$nil).

Notes to the Financial Statements for the Period Ended 31 December 2018 (cont'd)

NOTE 7: TRADE AND OTHER PAYABLES

	31 December 2018 \$	30 June 2018 \$
a. Current		
Creditors and accruals	-	2,180
	-	2,180

b. Terms and Conditions

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 creditors owing from related parties are outlined at Note 11.

NOTE 8: EMPLOYEE PROVISIONS

Number of employees at year-end (prior to disbandment)	-	-
--	---	---

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	-	-	-	-	-
Total	-	-	-	-	-	-

	Separation and Redundancy Provisions		Other Employee Provisions		Total	
	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	-	-	-	-	-
Total	-	-	-	-	-	-

There were no bonuses for separation and redundancy or other provisions for officeholders or other employees (30 June 2018: \$nil), except as set out at Note 9.

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

The current portion for this provision included 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 did 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 were classified as current liabilities since the Branch did not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

Notes to the Financial Statements for the Period Ended 31 December 2018 (cont'd)

NOTE 8: PROVISIONS (cont'd)

The non-current portion for this provision included 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 9: EMPLOYEE BENEFITS

	Elected Officials (Office holders)		Employees (other than Elected Officials)		Total	
	31/12/2018	30/06/2018	31/12/2018	30/06/2018	31/12/2018	30/06/2018
Employee benefits paid/accrued during the period	\$	\$	\$	\$	\$	\$
Wages and Salaries	-	-	-	-	-	-
Annual Leave and Long Service Leave	-	-	-	-	-	-
Redundancy Payments	-	-	-	-	-	-
Other Employee Expenses	-	-	-	-	-	-
Superannuation	-	-	-	-	-	-
Total	-	-	-	-	-	-

NOTE 10: FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

The Branch's financial instruments consisted mainly of deposits with banks, short term investments, accounts receivable and payable, and investments in an unlisted company. The Branch did not have any derivative instruments at 31 December 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 met 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.

Notes to the Financial Statements for the Period Ended 31 December 2018 (cont'd)

NOTE 10: FINANCIAL RISK MANAGEMENT (cont'd)

iii. Financial Risk Exposures and Management

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

Liquidity risk

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

Interest rate risk

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

As at 31 December 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:

	31 December 2018	30 June 2018
	\$	\$
Change in profit/(loss)		
Increase in interest rate by 1%	-	679
Decrease in interest rate by 1%	-	(679)
Change in equity		
Increase in interest rate by 1%	-	679
Decrease in interest rate by 1%	-	(679)

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

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

Credit Risk Exposure

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

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

Interest Rate Risk

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

	Weighted Average Effective Interest Rate %	Floating Interest Rate	1 year or less	Fixed Interest Rate Maturities			Total
				1 to 5 years	Over 5 years	Non Interest Bearing	
		\$	\$	\$	\$	\$	\$
31 December 2018							
Assets:							
Cash	N/A	-	-	-	-	-	-
Trade and Sundry Debtors		-	-	-	-	-	-
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	-	-
Borrowings	N/A	-	-	-	-	-	-
Net financial assets		-	-	-	-	-	-

Notes to the Financial Statements for the Period Ended 31 December 2018 (cont'd)

NOTE 10: FINANCIAL RISK MANAGEMENT (cont'd)

	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 \$
30 June 2018							
Assets:							
Cash	0.5%	67,921	-	-	-	-	67,921
Trade and Sundry Debtors		-	-	-	-	987	987
		67,921	-	-	-	987	68,908
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	(2,180)	(2,180)
		-	-	-	-	(2,180)	(2,180)
Net financial assets		67,921	-	-	-	(1,193)	66,728

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 Period Ended 31 December 2018 (cont'd)

NOTE 11: RELATED PARTIES

a. ACT Branch Committee of Management

The names of the members of the ACT Committee of Management who held office during the period are as follows:

Peter Middleton, Martin Boyd, Anisha Sachdeva, Nigel Forde, Nick Zardo, Stuart Ritchie, Paul Macor and Rory Goodsell.

No officeholder received any remuneration during the period or accrued an employee entitlement.

The officeholders received no 'non cash' benefits (30 June 2018: \$nil). No officeholder of the Branch during the period and/or the prior period declared any material personal interest in a matter that he/she has or did acquire, or a relative of the officeholder has or did acquire. Personal interests and directorships are disclosed in the Operating Report.

No officeholder or officer of the Branch (this period or last period) 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 at any time during the period ended 31 December 2018:

Ken Crofts – Financial Controller (resigned February 2019)

Pam Le Roux – Finance Manager (commenced February 2019)

c.

Key Management Personnel Remuneration	31 December 2018				
	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments
	\$	\$	\$	\$	\$
Total	-	-	-	-	-

c.

Key Management Personnel Remuneration	30 June 2018				
	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments
	\$	\$	\$	\$	\$
Total	-	-	-	-	-

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 11: RELATED PARTIES

	31 December 2018			30 June 2018		
	Annual Leave	Long Service Leave	Total	Annual Leave	Long Service Leave	Total
d. Annual Leave and Long Service Leave Accrued for Key Management Personnel During the Year	\$	\$	\$	\$	\$	\$
Total Leave Provision	-	-	-	-	-	-

e. Transactions with National Office, Branches and Related Entities

Entities related to ACT 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	31 December 2018	30 June 2018
	\$	\$
During the period, the ACT Branch paid a National capitation levy calculated in accordance with the rules.	5,217	5,500

f. Related Party balances at year end

Amounts receivable/(payable) at reporting date – Federal office and other branches	31 December 2018	30 June 2018
	\$	\$
National Office	-	-
Balance Reconciliation- related entities		
National Office		
Carrying amount at beginning of the year	-	-
Levy payment	(5,217)	(5,500)
Sundry income	-	-
Sundry charges	458	(6,361)
Payment made	4,759	11,861
Receipts	-	-
Transfer to CCF	-	-
Carrying amount at end of the year	-	-

There is no provision for doubtful debts in respect of the related party balances listed above (30 June 2018: \$nil).

The sales to and purchases from related parties were made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at 31 December 2018 were unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 31 December 2018, the Civil Contractors Federation (VIC Branch) has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (30 June 2018: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

No payments to a former related party of the Branch occurred for the period to 31 December 2018.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 12: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash at bank	-	67,921
	-	67,921
b. Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Operating profit / (loss) after income tax	(66,728)	(4,335)
Non-cash flows in profit/(loss) from ordinary activities		
- Loss on transfer of Net Assets to CCF	73,912	-
Changes in operating assets and liabilities		
Decrease/(Increase) in receivables	(938)	7
(Decrease)/Increase in payables and other creditors	651	120
Net cash provided by operating activities	6,897	(4,208)
c. Cash Transfer		

At disbandment date, the fair value of net assets transferred to CCF for \$nil consideration amounted to \$0.074 million (refer Note 1). Cash of \$74,818 was transferred to CCF as part of this transaction (refer also Note 1).

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 13: OPERATING COMMITMENTS		
Operating Lease Commitments – as lessee		
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	-	-
Operating Lease Commitments – as lessee	-	-
Operating Lease Commitments – as lessor		
*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	-	-
Operating Lease Commitments – as lessor	-	-

NOTE 14: FINANCE LEASE COMMITMENTS

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

NOTE 15: CAPITAL COMMITMENTS

At 31 December 2018, the entity has no capital commitments.

NOTE 16: EVENTS SUBSEQUENT TO BALANCE DATE

At 31 December 2018, there are no subsequent events to balance date.

NOTE 17: 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.

Notes to the Financial Statements for the Period Ended 31 December 2018 (cont'd)

NOTE 17: FAIR VALUE MEASUREMENT (cont'd)

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 by the Branch 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.

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.

Notes to the Financial Statements for the Period Ended 31 December 2018 (cont'd)

NOTE 17: FAIR VALUE MEASUREMENT (cont'd)

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.

Note	31 December 2018			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Available for sales assets	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

Note	30 June 2018			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Available for sales assets	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

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

Description	Fair Value at 31 December 2018 \$	Valuation Technique(s)	Inputs Used
<i>Financial assets</i>			
Financial assets at fair value through future cash flow:	-	Market approach: valuation techniques that reflect prices and other relevant information generated by market transactions for identical or similar assets	Market price per share, market borrowing date
	-		

Notes to the Financial Statements for the Period Ended 31 December 2018 (cont'd)

NOTE 17: FAIR VALUE MEASUREMENT (cont'd)

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 liability.

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 18: CONTINGENT ASSETS OR LIABILITIES

The Branch does not have any material contingent assets and/or liabilities at balance date.

NOTE 19: ECONOMIC DEPENDENCY

The Branch was economically dependent on ongoing funding in the form of membership fees.

NOTE 20: OTHER DISCLOSURES

The Branch did not receive or provide any financial support from/(to) any other reporting unit during the period.

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.

At 31 December 2018, there was \$nil payable in respect of legal costs – relating to 'other matters' and \$nil payable relating to legal litigation (30 June 2018: \$nil - relating to 'other matters', \$nil payable relating to litigation). No payable exists at reporting date in respect of consideration for payroll deductions of membership subscriptions (30 June 2018: \$nil).

Notes to the Financial Statements for the Period Ended 31 December 2018 (cont'd)

NOTE 21: OTHER ACTIVITIES

The Branch did not acquire an asset or liability during the financial period due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, and/or a determination or revocation by the General Manager, Fair Work Commission.

NOTE 22: BRANCH DETAILS

The registered office and the principal place of business of the Branch is:
Civil Contractors Federation (ACT Branch)
1 Iron Knob Street
Fyshwick ACT 2609

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Civil Contractors Federation (ACT Branch), which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period ended 31 December 2018, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement and the subsection 255(2A) report.

In our opinion, paying due regard to the matter set out in the 'Going Concern Basis' paragraph below, the accompanying financial report presents fairly, in all material aspects, the financial position of Civil Contractors Federation (ACT Branch) as at 31 December 2018, and its financial performance and its cash flows for the period 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 liquidation basis of accounting – refer further below, in the preparation of the financial statements of the ACT Branch is appropriate.

Going Concern Basis

We draw attention to Note 1 in the financial report, which indicates that with effect from 31 December 2018, Civil Contractors Federation (ACT Branch) was disbanded. This occurrence has precluded the ACT Branch from operating as a 'going concern' at the end of the reporting period. The financial report has been henceforth been prepared on a 'liquidation' basis at reporting date, wherein the statement of financial position reflects the recoverable amounts of assets and estimated liability settlement amounts at that date. Our opinion is not modified in respect of this matter.

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 and the National Board of CCF are 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 and CCF National Board for the Financial Report

The Committee of Management of ACT Branch and the National Board of CCF were 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 they 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 and the National Board of CCF have been responsible for assessing ACT Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and ultimately using the liquidation basis of accounting given ACT Branch operations ceased on 31 December 2018.

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, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 and the National Board's use of the liquidation basis of accounting, based on the audit evidence obtained. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- 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 ACT 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.

Stannards Accountants and Advisors

A handwritten signature in black ink, appearing to read 'MBS', with a long horizontal stroke extending to the right.

Michael B Shulman
Partner

Melbourne, VIC
Dated: 7th May 2019

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



**CIVIL CONTRACTORS
FEDERATION**

CIVIL CONTRACTORS FEDERATION

(NSW BRANCH)

ABN 55 645 813 882

**Financial Report
for the Period Ended
31 December 2018**

**CIVIL CONTRACTORS FEDERATION
(NSW BRANCH)**

ABN 55 645 813 882

**Financial Report
for the Period Ended
31 December 2018**

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**Operating Report
for the Period Ended 31 December 2018**

The National Board of Civil Contractors Federation (CCF) presents the operating report on Civil Contractors New South Wales Branch (CCF NSW) for the period ended 31 December 2018.

Principal Activities s254(2) (9a)

The principal activities of the Branch during the financial period were as follows:

The Federation operated predominantly in one business and geographical segment, being a representative body of civil construction and maintenance contractors in New South Wales, providing support to Members and the general public throughout New South Wales via professional services, information and advice in a wide range of business service areas.

These services included industrial relations advice, employment advice, dispute resolution, changes to Acts and Regulation, changes to awards and work practices.

As the peak employer representative body for the industry in New South Wales the Federation represented the industry at all levels of Government and advocated relating to civil construction and maintenance and business trade, prior to disbandment on 31 December 2018 – refer further below.

Results of principal activities s254(2)(a)

The Branch's principal activities resulted in a trading profit of \$204,684 for the period ended 31 December 2018, before providing for a 'significant item of expense' of \$1,535,419 (refer below) relating to the disbandment of the Branch (30 June 2018 profit: \$412,748).

Member services in workplace health and safety, employment services and industrial relations including workplace agreements and Federal and State Building and Construction Industry Code Compliance remained core service offerings.

The Branch again advocated strongly for the industry in range of business impacting sectors, including infrastructure planning, procurement strategy and application, skills, industrial relations, workplace health and safety, and injury management/worker's compensation.

Communications through the NSW Bulletin and e-bulletins, Member forums, functions, conferences and publications sales were again significant throughout the period.

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

There were no significant changes in the nature of the Branch's principal activities during the financial period, except that on 31 December 2018, the Branch was disbanded and its net assets transferred to CCF for no consideration in accordance with the approval of members and the Fair Work Commission.

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

Refer to Note 1 'Disbandment of Branch' relating to circumstances during the period which significantly affect the financial affairs of the Branch.

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 held 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
for the Period Ended 31 December 2018**

Number of Members *reg 159(a)*

The number of persons who, at the end of the period (i.e. immediately prior disbandment), were recorded on the Register of members was: 348 full members and 127 associate members. (30 June 2018: 344 full members and 123 associate members).

Number of Employees *reg 159(b)*

The number of persons who were, at the end of the period (i.e. immediately prior disbandment), full time employees of the NSW Branch of the Federation was 10 (30 June 2018: 15).

NSW Branch Board Members *reg 159(c)*

The persons who held office as members of the Board of the NSW Branch during the period until its disbandment were:

Name	Position	Period
Michael Boyle	Branch President	01/07/2018 to 31/12/2018
Craig Smith	Branch Vice-President	01/07/2018 to 05/12/2018
Michael Fitzgerald	Branch Vice-President	06/12/2018 to 31/12/2018
Michael Fitzgerald	Branch Treasurer	01/07/2018 to 05/12/2018
Kim Liddell	Branch Treasurer	18/12/2018 to 31/12/2018
John Wade	Branch Board Member	01/07/2018 to 31/12/2018
Robert Antoun	Branch Board Member	01/07/2018 to 31/12/2018
Tom Brady	Branch Board Member	01/07/2018 to 31/12/2018
Lee Fahey	Branch Board Member	01/07/2018 to 31/12/2018
Glenn Fordham	Branch Board Member	01/07/2018 to 31/12/2018
Mark Schultz	Branch Board Member	01/07/2018 to 31/12/2018
Kim Liddell	Branch Board Member	01/07/2018 to 17/12/2018
Stephen Cherrie	Branch Board Member	01/07/2018 to 31/12/2018
Julia Ward	Branch Board Member	01/07/2018 to 31/12/2018
Rex Wilson	Branch Board Member	01/07/2018 to 31/12/2018
Paul Wise	Branch Board Member	01/07/2018 to 31/12/2018

Following disbandment, the responsibility for presentation and approval of the financial report of the NSW Branch rested with the National Board of CCF.

**Operating Report
for the Period Ended 31 December 2018**

Manner of resignation

Members could 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 sub-rule (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: Michael Unger, National President

Dated: 7th May 2019

National Board Statement for the Period Ended 31 December 2018

On 7th May 2019 the Civil Contractors Federation National Board passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the period ended 31 December 2018:

The National Board 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 period to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit could pay its debts as and when they become due and payable prior to disbandment; and
- (e) during the period to which the GPFR relates:
 - (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.

This declaration is made in accordance with a resolution of the National Board of CCF.

Signature of designated officer:



Name and title of designated officer: Michael Unger, National President

Dated: 7th May 2019

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

We declare that, to the best of our knowledge and belief, during the period ended 31 December 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 7th May 2015

**Expenditure Report
For the Period ended 31 December 2018**

The National Board of CCF presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the period ended 31 December 2018.

	1 July 2018 - 31 December 2018	1 July 2017 - 30 June 2018
	\$	\$
CATEGORIES OF EXPENDITURE		
Remuneration and other employment-related costs and expenses - employees	630,278	1,027,262
Advertising	(20,884)	36,508
Operating Costs	829,944	1,583,042
Donations to Political Parties	3,273	7,055
Legal Costs	-	(1,000)
Total	1,442,611	2,652,867

Signature of designated officer:



Name and title of designated officer: Michael Unger, National President

Dated: 7th May 2019

CIVIL CONTRACTORS FEDERATION (NSW BRANCH)

**Statement of Profit or Loss
for the Period Ended 31 December 2018**

	Note	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
Revenues	3	1,647,295	3,065,615
Employee expenses	4f	(630,278)	(1,027,262)
Depreciation and amortisation	4d	(45,813)	(107,560)
Bad debts	4a	170	(5,000)
Merchant fees and bank charges		(2,951)	(8,310)
National Levy	4e	(67,500)	(88,000)
Other National Office charges		9,998	(20,535)
Rental expenses	4c	(54,867)	(107,963)
Functions, seminars and conference costs		(167,914)	(431,270)
Communication costs		(17,681)	(36,527)
Travelling expenses		(15,879)	(23,404)
Project costs (ITAB, SafeWork and Women in Civil Project)		(38,085)	(27,533)
Individual Program Costs		(3,075)	(59,735)
Stream One Project Costs		(147,133)	(200,000)
Stream Two Project Costs		(92,063)	(121,060)
CCF Bulletin and Year Book expenses		(19,574)	(37,891)
Other expenses from ordinary activities	4g	(149,966)	(350,817)
Profit / (Loss) from ordinary activities		204,684	412,748
Significant Item of Expense	18d	(1,535,419)	-
Profit / (Loss) from ordinary activities after Significant Item of Expense		(1,330,735)	412,748
Income tax expense	1a	-	-
Net profit / (loss) from ordinary activities after income tax expense attributable to the Federation		(1,330,735)	412,748

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income
for the Period Ended 31 December 2018**

	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
Surplus / (Loss) for the period	(1,330,735)	412,748
Other Comprehensive Income for the period – asset revaluation	-	23,850
Total comprehensive Income for the period	(1,330,735)	436,598
Total comprehensive Income attributable to members of the organisation	(1,330,735)	436,598

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION (NSW BRANCH)

**Statement of Financial Position
as at 31 December 2018**

	Note	31 December 2018 \$	30 June 2018 \$
CURRENT ASSETS			
Cash and cash equivalents	5	-	2,136,337
Trade and other receivables	6	-	1,734,464
Other current assets	7	-	169,629
TOTAL CURRENT ASSETS		-	4,040,430
NON-CURRENT ASSETS			
Financial assets	8	-	28,850
Other Non Current Assets	9	-	429,749
Plant and equipment	10	-	196,795
Website Development Costs	11	-	31,193
TOTAL NON-CURRENT ASSETS		-	686,587
TOTAL ASSETS		-	4,727,017
CURRENT LIABILITIES			
Trade and other payables	12	-	3,100,897
Short term provisions	13	-	111,217
Borrowings	15	-	43,722
TOTAL CURRENT LIABILITIES		-	3,255,836
NON-CURRENT LIABILITIES			
Long term provisions	13	-	39,962
Borrowings	15	-	100,484
TOTAL NON-CURRENT LIABILITIES		-	140,446
TOTAL LIABILITIES		-	3,396,282
NET ASSETS		-	1,330,735
MEMBERS' FUNDS			
Accumulated Surplus		-	1,306,885
Asset Revaluation Reserve		-	23,850
TOTAL MEMBERS' FUNDS		-	1,330,735

The accompanying notes form part of the financial statements

**Statement of Changes in Members' Funds
for the Period Ended 31 December 2018**

	31 December 2018	30 June 2018
	\$	\$
Balance at beginning of period	1,330,735	894,137
Surplus / (Loss) attributable to members	(1,330,735)	412,748
Asset revaluation reserve	-	1,306,855
Balance at end of period	-	23,850
		1,330,735

The accompanying notes form part of the financial statements

Statement of Cash Flow
For the Period ended 31 December 2018

	Note	31 December 2018 \$	30 June 2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		720,267	3,167,940
Receipts from National Office		1,844	774
Receipts from Victoria Branch		450	1,050
Interest received		22,294	36,225
Payments to CCF National Office – Levy charge		(67,500)	(80,667)
Payments to CCF National Office – Sundry		(3,263)	(637)
Payments to CCF Victoria Branch		(3,267)	(6,550)
Payments to suppliers and employees		(2,715,959)	(2,741,976)
Net cash provided by operating activities	18b	(2,045,134)	376,159
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(36,857)	(127,007)
Website development costs		-	(4,525)
Net cash (used in) investing activities		(36,857)	(131,532)
CASH FLOWS FROM FINANCING ACTIVITIES			
Borrowings		(35,473)	39,183
Net cash (used in) financing activities		(35,473)	39,183
Net (decrease)/increase in cash held		(2,117,464)	283,810
Cash at the beginning of the period		2,136,337	1,852,527
Transfer of cash to CCF on disbandment of Branch	18d	(18,873)	-
Cash at the end of the period	18a	-	2,136,337

The accompanying notes form part of these financial statements

**Notes to the Financial Statements
for the Period Ended 31 December 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 (NSW Branch) is a 'not for profit' entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost. 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. Given the disbandment of the Branch effective at 31 December, 2018 – refer the note below, the financial statements have not been prepared on a going concern basis, all assets and liabilities having been transferred to Civil Contractors Federation on that date. Rather, the financial report and in particular the assets and liabilities of the branch, prior transfer, were measured on a "liquidation" basis which reflected their recoverable values and expected settlement amounts as at the date of transfer.

The financial statements are presented in Australian dollars.

The financial report covers Civil Contractors Federation (NSW Branch) as an Individual entity. Civil Contractors Federation (NSW Branch) was a Federation incorporated in New South Wales under the Fair Work (Registered Organisations) Act 2009 until the date of disbandment referred to above.

Disbandment of Branch

In accordance with a resolution made by the National Board of CCF on 16 November, 2018, with effect from 31 December, 2018, CCF adopted a new constitution and rules which were certified by the Fair Work Commission. It was also resolved that effective as at 31 December, 2018, all assets, liabilities and undertakings of the branch be transferred for \$nil consideration to CCF at which point in time, the branch would be disbanded. Set out below is a summary of the assets, liabilities and undertakings transferred by the branch to CCF as at 31 December, 2018:

	\$000
Cash	18,873
Website Costs	18,845
Plant & Equipment	200,187
Trade Receivables	2,636,904
Other Assets	775,755
Trade and Other Payables	(1,847,192)
Borrowings	(108,734)
Employee Entitlements	(159,219)
Net Assets	1,535,419

On the basis that \$nil consideration was received for this transfer, an amount of \$1.535 million has been reported as a "Significant Item of Expense" in the Statement of Profit/Loss and Other Comprehensive Income.

As set out in the bases of accounting note, the Branch will no longer operate and hence is not a going concern as at the date of this financial report.

Prior Year Comparatives

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

**Notes to the Financial Statements
for the Period Ended 31 December 2018**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

Accounting Policies

a. Income Tax

The Federation is registered under the Fair Work (Registered Organisations) Act 2009 and, is believed to have been 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 included 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 was carried at cost or fair value, less, where applicable, any accumulated depreciation and impairment losses.

Cost and valuation

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

The carrying amount of plant and equipment were reviewed at each reporting date by the Board to ensure they were not in excess of the recoverable amount of those assets. The recoverable amount was 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 were measured at the lower of cost and fair value.

Depreciation

The depreciable amounts of plant and equipment were depreciated using the straight line method at rates based on their estimated useful lives commencing from the time the asset is held ready for use.

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

	31/12/2018	30/06/2018
Office, furniture and equipment	20%-33%	20%-33%
Motor vehicles	12.5%-25%	10%-20%

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

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

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

**Notes to the Financial Statements
for the Period Ended 31 December 2018**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

Accounting Policies

d. Trade and other Receivables

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

The collectability of debts has been reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivable was 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 was recognised in the income statement as an expense.

e. Trade and other Payables

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

f. Financial Instruments

Financial instruments were 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 have been recognised in the Statement of Profit and Loss.

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

g. Employee Benefits

Short-term employee benefits

Provision has been 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 have been 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 have been recognised as part of current trade and other payables in the statement of financial position.

Long-term employee benefits

Provision was 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. Other long-term employee benefits were 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 other long-term employee benefits were recognised in profit or loss in the periods in which the changes occur.

The Branch's obligations for long-term employee benefits were presented as non-current provisions in its statement of financial position, except where the Branch did 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 were presented as current provisions.

No provision has been 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 were 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.

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, were transferred to the Branch were classified as finance leases.

Finance leases were 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 were depreciated on a straight line basis over their estimated useful lives where it is likely that the Branch would obtain ownership of the asset over the term of the lease. Lease payments were allocated between the reduction of the lease liability and the lease interest expense for the period.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

h. Leases (cont'd)

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

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

i. Goods and Services Tax (GST)

Revenues, expenses and assets have been 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 has been recognised as part of the cost of acquisition of the asset or as part of an item of expense, and 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

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 is recognised in proportion to the stage of completion of the service (this includes any grant income received/receivable).

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

k. Operating Segment

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

The Branch operated predominantly in one business and geographical segment, being a representative body of civil engineering contractors in NSW 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 NSW Australia.

l. Fair Value of Assets and Liabilities

The Branch measured 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 were 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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

I. Fair Value of Assets and Liabilities (cont'd)

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 took 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 have been 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 was not available, other valuation techniques were adopted and, where significant, detailed in the respective note to the financial statement.

m. Capitation Fees

These fees were recognised on an accruals basis, and recorded as an expense in the period to which they related.

n. Critical Accounting Estimates and Judgements

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 period ended 31 December 2018, except as stated in this report.

Key Judgements - Doubtful Debts Provision

The Board assessed each debtor and estimated no provision for doubtful debts was required except as disclosed at Note 6. The Board believes that the full amount of the remaining debtors was recoverable.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

o. New Accounting Standards for Application in Future Periods

The AASB issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which would have been relevant to the entity. The Committee of Management and CCF Board decided not to early adopt any of the new and amended pronouncements as at the date of disbandment.

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).

q. Going Concern

Given the disbandment of the branch effective at 31 December 2018, the financial statements have not been prepared on a going concern basis, all assets and liabilities having been transferred to Civil Contractors Federation on that date. Rather, the financial report and in particular the assets and liabilities of the branch, prior transfer, were measured on a "liquidation" basis which reflected their recoverable values and expected settlement amounts as at the date of transfer.

The Branch has not been reliant on any agreed financial support to continue as a going concern, nor has it agreed to provide such support to ensure other branches operated as a going concern.

2. Fund Analysis

For the financial period ended 31 December 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; and
- there is no balance within the general fund.

CIVIL CONTRACTORS FEDERATION (NSW BRANCH)

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 3: REVENUE		
Operating activities:		
Membership Income (Subscriptions)	808,258	1,504,306
Sponsorship	101,315	218,369
Functions	274,260	667,075
CCF Bulletins	30,938	60,582
Daily Inspection Procedure Sales	13,693	29,900
IMS System	-	1,500
Interest Income	22,294	36,225
Consulting Fees	1,991	18,280
Other Income	11,849	12,165
Projects Income (ITAB, SafeWork & Women in Civil Project)	138,500	186,153
Project Income (Stream One)	147,132	200,000
Project Income (Stream Two)	97,065	131,060
Capitation Fee	-	-
Director Fees	-	-
Affiliation Fees	-	-
Compulsory Levies	-	-
Donations > \$1,000	-	-
Donations < \$1,000	-	-
Grants > \$1,000	-	-
Grants < \$1,000	-	-
Grants & Government Funding	-	-
Financial Support- other Branches	-	-
Other Revenue Derived From Undertaking Recovery of Wager Activity	-	-
Total Revenue	1,647,295	3,065,615
NOTE 4: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
The operating profit/(loss) of the Branch before income tax expense has been determined after:		
a. Bad and Doubtful Debts		
Bad debts written off to expense	(170)	5,000
	(170)	5,000
b. Auditor's Remuneration		
Auditor's remuneration – Audit of Financial Statements (other services - \$nil (30 June 2018: \$nil))	6,900	8,200
	6,900	8,200
c. Operating Leases		
Rent	54,867	107,963
	54,867	107,963
d. Depreciation and Amortisation		
Plant and equipment and Website	23,629	65,612
Motor vehicles	22,184	41,948
(Profit) / Loss on sale of vehicles	-	-
	45,813	107,560

CIVIL CONTRACTORS FEDERATION (NSW BRANCH)

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 4: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
e. Levy		
National office levy	67,500	88,000
The levy is imposed by the CCF National Office to assist in funding the National Office operations.		
f. Employee related		
Wages & Salaries	514,571	810,604
Superannuation	54,936	92,087
Employee benefits (leave and other entitlements)	11,383	32,198
Payroll Tax	45,784	76,600
Training and recruitment	3,604	15,773
Other employee expenses	-	-
Separation and redundancy	-	-
	630,278	1,027,262
g. Other expenses		
Affiliation Fees	-	-
Auditor's Remuneration	6,900	8,200
Attendance Allowance / Fee – Meetings & Conferences	(4,000)	4,000
Donations < \$1,000	455	1,005
Donations > \$1,000	2,818	6,050
Grants < \$1,000	-	-
Grants > \$1,000	-	-
Penalties – via RO Act or Regulations	-	-
Other Compulsory Levies	-	-
Membership Subscriptions	-	-
Public Relations	6,760	8,997
Accountancy Fees	6,086	17,729
IT support	14,676	41,946
Motor vehicle expenses	39,408	76,464
Legal costs – Litigation	-	-
Legal Costs – Consultation (Other Matters)	-	(1,000)
Sponsorship	-	-
Subscriptions – Political Parties etc.	-	-
Subscriptions	-	1,141
Forgiveness of Loans	-	-
Consulting Fees	-	-
Payroll Deduction Costs	-	-
Fees / allowances – meetings and conferences	-	-
Capitation Fees	-	-
Levies – Other Parties	-	-
Consideration to employers for making payroll deductions of membership subscriptions	-	-
Other / Sundry	76,863	186,285
	149,966	350,817

h. Expenses – Financial Affairs Administered by Other Entities

For the period ended 31 December 2018, external costs paid to 'Managing by Numbers Pty Ltd' were incurred relating to accounting/bookkeeping and consultation to CCF NSW.

Monthly invoicing occurs based on hours of service each month. For the period ended 31 December 2018, a total of \$6,086 was incurred to this entity on a commercial basis.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 5: CASH AND CASH EQUIVALENTS		
Current		
Cash on hand	-	500
Cash at bank	-	1,113,097
Short-term bank deposits	-	1,022,740
	-	<u>2,136,337</u>

The weighted average interest rate for cash as at 31 December 2018 was 0.40% (30 June 2018: 2.6%)

NOTE 6: TRADE AND OTHER RECEIVABLES

a. Current

Trade debtors	-	1,743,693
Less: Provision for doubtful debts	-	(12,932)
	-	<u>1,730,761</u>
Sundry and other debtors	-	3,703
	-	<u>1,734,464</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.

Details of the trade debtors owing from related parties are outlined at Note 17f.

Sundry debtors are non-interest bearing and unsecured.

	31 December 2018 \$	30 June 2018 \$
NOTE 7: OTHER CURRENT ASSETS		
Current		
Prepayments and Security Deposits	-	163,860
Stock on Hand	-	5,769
	-	<u>169,629</u>

NOTE 8: FINANCIAL ASSETS

a. Non-Current

Shares in unlisted company – at Branch Board valuation (i)	-	5,000
The National Training Resources Unit (NTRU) (ii)	-	23,850
	-	<u>28,850</u>

b. Terms and Conditions

(i)The Branch held 625 shares in Beaconsfield Press Pty Limited. The shares of the Branch were valued based on the consideration of the transfer to shares to Civil Contractors Federation (NSW Branch) in August 2000.

(ii)The NSW Executive and Audit & Compliance Committee determined the value of the NTRU be set at 40% of the original investment amount, reviewed by the Executive every 2 years.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 9: OTHER NON CURRENT ASSETS		
Cert & GoldPO System - SafeWork Costs	-	117,139
Professional Development Program	-	312,610
	-	429,749
NOTE 10: PLANT AND EQUIPMENT		
Motor vehicles – at cost	-	229,730
Less: Accumulated depreciation	-	(66,898)
	-	162,832
Office furniture and equipment – at cost	-	209,657
Less: Accumulated depreciation	-	(175,694)
	-	33,963
Total plant and equipment – net book value	-	196,795
Reconciliation of movements in plant and equipment		
Motor vehicle – at cost		
Carrying amount at beginning of the period	162,832	115,237
Additions	-	89,543
Disposals	-	-
Depreciation expense	(22,184)	(41,948)
Transfer to CCF	(140,648)	-
Carrying amount at end of the period	-	162,832
Furniture and equipment		
Carrying amount at beginning of the period	33,963	21,613
Additions	36,857	37,464
Disposals	-	-
Depreciation expense	(11,281)	(25,114)
Transfer to CCF	(59,539)	-
Carrying amount at end of the period	-	33,963
Total carrying amount at end of the period	-	196,795
NOTE 11: WEBSITE DEVELOPMENT COSTS		
Carrying amount at beginning of the period	31,193	67,166
Additions	-	4,525
Disposals	-	-
Amortisation	(12,349)	(40,498)
Transfer to CCF	(18,844)	-
	-	31,193
NOTE 12: TRADE AND OTHER PAYABLES		
a. Current		
Deferred income	-	2,532,138
Creditors and accruals	-	568,759
	-	3,100,897

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 12: TRADE AND OTHER PAYABLES (cont'd)

b. Terms and Conditions

Deferred income related to cash receipts for membership fees, training and advertising revenue received for the subsequent reporting period and project funding received for subsequent reporting period and beyond.

Creditors and accruals were settled within the terms of payments offered, which was 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 17f.

	31 December 2018 \$	30 June 2018 \$
NOTE 13: PROVISIONS		
a. Current		
Provisions for annual leave	-	93,227
Provisions for long service leave	-	17,990
	-	111,217
b. Non-Current		
Provisions for long service leave	-	39,962
c. Aggregate employee entitlement liability	-	151,179
d. Number of employees at 31 December 2018	10	15

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	93,227	-	57,952	-	151,179
Total	-	93,227	-	57,952	-	151,179

	Separation and Redundancy Provisions		Other Employee Provisions		Total	
	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	-	-	-	-	-
Total	-	-	-	-	-	-

There were no bonuses for separation and redundancy or other provisions for officeholders or other employees (30 June 2018: \$nil), except as set out at Note 17.

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

The current portion for this provision included 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 did 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 were classified as current liabilities since the Branch did not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

CIVIL CONTRACTORS FEDERATION (NSW BRANCH)

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 13: PROVISIONS (cont'd)

The non-current portion for this provision included 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 14: EMPLOYEE BENEFITS

Employee benefits paid/accrued during the period	Elected Officials (Office holders)		Employees (other than Elected Officials)		Total	
	31/12/2018	30/06/2018	31/12/2018	30/06/2018	31/12/2018	30/06/2018
	\$	\$	\$	\$	\$	\$
Wages and Salaries	-	-	514,571	810,604	514,571	810,604
Annual Leave and Long Service Leave	-	-	11,383	32,198	11,383	32,198
Redundancy Payments	-	-	-	-	-	-
Superannuation	-	-	54,936	92,087	54,936	92,087
Other Employee Expenses	-	-	49,388	92,373	49,388	92,373
Total	-	-	630,278	1,027,262	630,278	1,027,262

	31 December 2018	30 June 2018
	\$	\$
NOTE 15: BORROWINGS		
a. Current		
Hire Purchase Liability	-	43,722
b. Non-Current		
Hire Purchase Liability	-	100,484

c. Terms and Conditions

Hire Purchase facilities are secured by the assets they are financing.

NOTE 16: FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

The Branch's financial instruments consisted mainly of deposits with banks, short term investments, accounts receivable and payable, and investments in an unlisted company. The Branch did not have any derivative instruments at 31 December 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 met 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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 16: FINANCIAL RISK MANAGEMENT (cont'd)

iii. Financial Risk Exposures and Management

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

Liquidity risk

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

Interest rate risk

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

As at 31 December 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:

	31 December 2018	30 June 2018
	\$	\$
Change in profit/(loss)		
Increase in interest rate by 1%	-	19,916
Decrease in interest rate by 1%	-	(19,916)
Change in equity		
Increase in interest rate by 1%	-	19,916
Decrease in interest rate by 1%	-	(19,916)

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

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

Credit Risk Exposure

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

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

Interest Rate Risk

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

	Weighted Average Effective Interest Rate %	Floating Interest Rate	1 year or less	Fixed Interest Rate Maturities			Total
				1 to 5 years	Over 5 years	Non Interest Bearing	
		\$	\$	\$	\$	\$	\$
31 December 2018							
Assets:							
Cash	NA	-	-	-	-	-	-
Trade and Sundry Debtors		-	-	-	-	-	-
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	-	-
Borrowings	NA	-	-	-	-	-	-
Net financial assets		-	-	-	-	-	-

CIVIL CONTRACTORS FEDERATION (NSW BRANCH)

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 16: FINANCIAL RISK MANAGEMENT (cont'd)

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	1 year or less \$	Fixed Interest Rate Maturities			Total \$
				1 to 5 years \$	Over 5 years \$	Non Interest Bearing \$	
30 June 2018							
Assets:							
Cash	2.6%	2,135,837	-	-	-	500	2,136,337
Trade and Sundry Debtors		-	-	-	-	1,904,093	1,904,093
		2,135,837	-	-	-	1,904,593	4,040,430
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	(3,100,897)	(3,100,897)
Borrowings	6.5%	-	(43,722)	(100,484)	-	-	(144,206)
		-	(43,722)	(100,484)	-	(3,100,897)	(3,245,103)
Net financial assets		2,135,837	(43,722)	(100,484)	-	(1,196,304)	795,327

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 Period Ended 31 December 2018 (cont'd)**

NOTE 17: RELATED PARTIES

a. NSW Branch Committee of Management

The names of the members of the NSW Committee of Management who held office during the period are as follows:

Michael Boyle, Craig Smith, Michael Fitzgerald, Kim Liddell, John Wade, Robert Antoun, Tom Brady, Lee Fahey, Glenn Fordham, Mark Schultz, Stephen Cherrie, Julia Ward, Rex Wilson and Paul Wise.

No officeholder received any remuneration during the period or accrued an employee entitlement.

The officeholders received no 'non cash' benefits (30 June 2018: \$nil). No officeholder of the Branch during the period and/or the prior period declared any material personal interest in a matter that he/she has or did acquire, or a relative of the officeholder has or did acquire. Personal interests and directorships are disclosed in the Operating Report.

No officeholder or officer of the Branch (this period or last period) 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 at any time during the period ended 31 December 2018:

David Castledine - Chief Executive Officer
 Danielle Briggs – NSW Accounts Manager
 Fred Olovich - Compliance Support Field Officer
 Dr. Liesel Henn – Director - Policy & Projects
 Cameron Spence – Director - Workplace Relations
 Gary Watkins – General Manager - Projects
 Michael Weissman – Compliance Support Field Officer

There were 10 full time equivalent staff at disbandment date (30 June 2018: 15 full time equivalent staff).

c.

Key Management Personnel Remuneration	31 December 2018				
	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments
	\$	\$	\$	\$	\$
Total	392,225	33,874	-	-	-

c.

Key Management Personnel Remuneration	30 June 2018				
	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments
	\$	\$	\$	\$	\$
Total	668,287	59,676	-	-	-

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

e. Transactions with National Office, Branches and Related Entities

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

Levy Payment	31 December 2018	30 June 2018
	\$	\$
During the period, the NSW Branch paid a National capitation levy calculated in accordance with the rules.	67,500	88,000

f. Related Party balances at 31 December 2018

Amounts receivable/(payable) at reporting date – Federal office and other branches	31 December 2018	30 June 2018
	\$	\$
National Office	-	(22,368)
Victoria Branch	-	450
	-	<u>(21,918)</u>

Balance Reconciliation- related entities

National Office		
Carrying amount at beginning of the period	(22,368)	(2,206)
Levy charge	(67,500)	(88,000)
Sundry & other charges	-	(20,535)
Sundry income	9,718	7,843
Receipts	(1,844)	(774)
Payment made	70,763	81,304
Transfer	11,231	-
Carrying amount at end of the period	<u>-</u>	<u>(22,368)</u>

CMS Unit / Victoria Branch		
Carrying amount at beginning of the period	450	715
Sundry Charges	(3,717)	(7,265)
Sundry Income	450	1,500
Receipts	(450)	(1,050)
Payment made	3,267	6,550
Carrying amount at end of the period	<u>-</u>	<u>450</u>

There is no provision for doubtful debts in respect of the related party balances listed above (30 June 2018: \$nil).

The sales to and purchases from related parties were made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at 31 December 2018 were unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 31 December 2018, the Civil Contractors Federation (NSW Branch) has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (30 June 2018: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

No other payments to a former related party of the Branch occurred for the period to 31 December 2018.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 18: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash on hand	-	500
Cash at bank	-	1,113,097
Call deposit	-	1,022,740
	-	2,136,337
b. Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Operating profit / (loss) after income tax	(1,330,735)	412,748
Non-cash flows in profit/(loss) from ordinary activities		
- Depreciation and amortisation	45,813	107,560
- Loss on transfer of Net Assets to CCF	1,535,419	-
Changes in operating assets and liabilities		
Decrease/(Increase) in receivables	(902,440)	147,893
Decrease/(Increase) in other assets	(147,530)	(454,272)
(Decrease)/Increase in deferred income	(981,627)	(97,522)
(Decrease)/Increase in creditors and accruals	(272,074)	218,028
(Decrease)/Increase in provisions	8,040	41,724
Net cash provided by operating activities	(2,045,134)	376,159

c. Credit Facility

The Branch had a business card credit facility of \$50,000. At 31 December 2018, the available facility was \$nil.

d. Cash Transfer

At disbandment date, the fair value of net assets transferred to CCF for \$nil consideration amounted to \$1.535 million (refer Note 1). Cash of \$18,873 was transferred to CCF as part of this transaction (refer also Note 1).

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 19: OPERATING COMMITMENTS		
Operating Lease Commitments – as lessee		
*Future minimum rentals payable under non-cancellable operating leases at 31 December 2018 are:		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
- Within one year	-	100,201
- After one year but not more than five years	-	131,595
- More than five years	-	-
	-	231,796
Operating Lease Commitments – as lessor		
Future minimum rentals receivable under non-cancellable operating leases at 31 December 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	-	-
	-	-

a. Office

*An operating lease agreement was commenced on 23 September 2013 for a period from September 2013 to September 2018 with Essential Fire Superannuation Pty Ltd for the use of the premises situated at 11/9 Hoyle Avenue, Castle Hill. The renewed lease agreement was extended for 2 years (plus 2 options still exist).

We note that with the disbandment of the Branch, a new lease agreement has now been signed commencing 1 January 2019 to 22 September 2020, and is payable by the Civil Contractors Federation (New South Wales) Ltd.

NOTE 20: CAPITAL COMMITMENTS

At 31 December 2018, the entity has no capital commitments.

NOTE 21: EVENTS SUBSEQUENT TO BALANCE DATE

At 31 December 2018, there are no subsequent events to balance date.

NOTE 22: 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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 22: FAIR VALUE MEASUREMENT (cont'd)

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 by the Branch 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.

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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 22: FAIR VALUE MEASUREMENT (cont'd)

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.

Note	31 December 2018			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Available for sales assets	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

Note	30 June 2018			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Available for sales assets	-	28,850	-	28,850
Total financial assets recognised at fair value	-	28,850	-	28,850
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

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

Description	Fair Value at 31 December 2018 \$	Valuation Technique(s)	Inputs Used
<i>Financial assets</i>			
Financial assets at fair value through future cash flow:	-	Market approach: valuation techniques that reflect prices and other relevant information generated by market transactions for identical or similar assets	Market price per share, market borrowing date
	-		

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 22: FAIR VALUE MEASUREMENT (cont'd)

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 liability.

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 23: CONTINGENT ASSETS OR LIABILITIES

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

NOTE 24: ECONOMIC DEPENDENCY

The Branch was economically dependent on ongoing funding in the form of membership fees.

NOTE 25: OTHER DISCLOSURES

The Branch did not receive or provide any financial support from/(to) any other reporting unit during the period.

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.

At 31 December 2018, there was \$nil payable in respect of legal costs – relating to ‘other matters’ and \$nil payable relating to legal litigation (30 June 2018: \$7,722 - relating to ‘other matters’, \$nil payable relating to litigation). No payable exists at reporting date in respect of consideration for payroll deductions of membership subscriptions (30 June 2018: \$nil).

No payments were made during the reporting period (30 June 2018: \$nil) to former related parties of the Branch.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 26: OTHER ACTIVITIES

The Branch did not acquire an asset or liability during the financial period due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, and/or a determination or revocation by the General Manager, Fair Work Commission.

NOTE 27: BRANCH DETAILS

The registered office and the principal place of business of the Branch prior disbandment was:
Civil Contractors Federation (NSW Branch)
Unit 11
9 Hoyle Avenue
Castle Hill NSW 2154

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Civil Contractors Federation (NSW Branch), which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period ended 31 December 2018, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement and the subsection 255(2A) report.

In our opinion, paying due regard to the matter set out in the 'Going Concern Basis' paragraph below, the accompanying financial report presents fairly, in all material aspects, the financial position of Civil Contractors Federation (NSW Branch) as at 31 December 2018, and its financial performance and its cash flows for the period 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 liquidation basis of accounting – refer further below, in the preparation of the financial statements of the NSW Branch is appropriate.

Going Concern Basis

We draw attention to Note 1 in the financial report, which indicates that with effect from 31 December 2018, Civil Contractors Federation (NSW Branch) was disbanded. This occurrence has precluded the NSW Branch from operating as a 'going concern' at the end of the reporting period. The financial report has been henceforth been prepared on a 'liquidation' basis at reporting date, wherein the statement of financial position reflects the recoverable amounts of assets and estimated liability settlement amounts at that date. Our opinion is not modified in respect of this matter.

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 and the National Board of CCF are 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 and CCF National Board for the Financial Report

The Committee of Management of NSW Branch and the National Board of CCF were 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 they 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 and the National Board of CCF have been responsible for assessing NSW Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and ultimately using the liquidation basis of accounting given NSW Branch operations ceased on 31 December 2018.

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, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 and the National Board's use of the liquidation basis of accounting, based on the audit evidence obtained. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- 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 NSW 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.

Stannards Accountants and Advisors



Michael B Shulman
Partner

Melbourne, VIC
Dated: 7th May 2019

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



**CIVIL CONTRACTORS
FEDERATION**

**CIVIL CONTRACTORS FEDERATION
(NT BRANCH)**

ABN 82 550 580 543

**Financial Report
for the Period Ended
31 December 2018**

**CIVIL CONTRACTORS FEDERATION
(NT BRANCH)**

ABN 82 550 580 543

**Financial Report
for the Period Ended
31 December 2018**

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**Operating Report
for the Period Ended 31 December 2018**

The National Board of Civil Contractors Federation (CCF) presents the operating report on Civil Contractors Northern Territory Branch (CCF NT) for the period ended 31 December 2018.

Principal Activities s254(2) (9a)

The principal activities of the Branch during the financial period were to represent the interests of civil contractors in the Northern Territory. This representation included:

- Strong advocacy for the civil sector on the local and national front, to ensure critical enabling infrastructure throughout the Northern Territory receives appropriate and ongoing investment;
- Holding the Northern Territory government accountable to its budgeted infrastructure programs;
- Working with the NT government and other key organisations (Local Government Association, Power and Water etc) to create a more transparent and equitable procurement process for the civil sector;
- Local content – create an equitable and auditable local content rating system;
- Advocating for changes to the Australian government's Indigenous Procurement Policy;
- Clarification of specifications, drawings and associated technical information for civil projects;
- Eliminating unnecessary duplication, processes and documentation associated with project delivery;
- Advice and direction on meeting industry training and development needs;
- Publication of information bulletins as required;
- Industry updates on government legislation, regulations and initiatives.

Results of principal activities s254(2)(a)

The Branch's principal activities generated a trading profit of \$47,672 for the period ended 31 December 2018, before providing for a 'significant item of expense' of \$443,238 (refer below) relating to the disbandment of the Branch (30 June 2018 profit: \$73,982).

The Branch's principal activity – advocacy - resulted in a close and cooperative relationship with a number of NT Government agencies. Strong relationships were developed between the civil sector and the Department of Infrastructure, Planning and Logistics and the Department of Trade, Business and Innovation.

CCFNT met regularly with the Deputy Chief Minister, Treasurer and Minister for Infrastructure, Planning and Logistics, as well as Chief Executives and senior executives and departmental staff in the key agencies related to construction, infrastructure, business, training and employment.

The Branch represented the civil construction sector on the peak industry advisory panels to the NT Government for training, employment and workforce development through the Advisory Board of ISACNT.

The Branch made representations on road and infrastructure priority investment projects for consideration for inclusion in Territory and Federal Budget processes.

CCFNT made submissions to the NT government's revenue and taxation review, 10-year infrastructure review as well as standard specifications for road works and maintenance and the Commonwealth's Indigenous Procurement Policy.

CCFNT is working closely with CCFSA to ensure the design and delivery of training packages are appropriate for the continued development of the NT's civil sector by further developing the capability and capacity of Civil Train NT (previously Civil Train SA).

In consolidating its leadership role in the civil and roads construction sectors, the branch is closely aligned with the NT Road Transport Association, the Extractive Industries Association NT and the Traffic Management Association of Australia, along with other key Territory transport and infrastructure stakeholders.

**Operating Report
for the Period Ended 31 December 2018**

Results of principal activities (cont'd)

As a member of the NT Business Council, CCFNT was able to contribute to the direction and focus of the advocacy role of a number of industries based representative organisations for the betterment of the civil sector in the Northern Territory. Business council members include the Chamber of Commerce, Master Builders Association, Minerals Council, NT Cattleman's Association, NT Farmers Association, NT Seafood Council, Extractive Industry Association, Road Transport Association, Australian Industry and Defence Network, Energy Club NT, Engineers Australia, Hospitality NT, Housing Industry Association, Property Council and the NT Manufacturers Council.

Through the advocacy of the Civil Contractors Federation NT, there has been an increased focus on the need for continued investment in enabling infrastructure to better facilitate economic development opportunities across the Northern Territory.

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

There were no significant changes in the nature of the Branch's principal activities during the financial period, except that on 31 December 2018, the Branch was disbanded and its net assets transferred to CCF for no consideration in accordance with the approval of members and the Fair Work Commission.

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

Refer to Note 1 'Disbandment of Branch' relating to circumstances during the period which significantly affect the financial affairs of the Branch.

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 held 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.

Number of Members reg 159(a)

The number of persons who, at the end of the financial period, were recorded on the Register of members was: 32 Members and 32 Associate Members. At the end of the previous financial year there were 33 Members and 31 Associate Members.

Number of Employees reg 159(b)

The number of persons who were, at the end of the financial period (prior disbandment), employees of the Northern Territory Branch of the Federation was one. The branch also has 1 contractor (2018: 1).

**Operating Report
for the Period Ended 31 December 2018**

NT Branch Board Members *reg 159(c)*

The persons who held office as members of the Board of the NT Branch during the period until its disbandment were:

Name	Position	Status
Ian Hinchliffe	President	1-7-2018 to 31-12-2018
Mark Wilkes	Vice President	1-7-2018 to 31-12-2018
Patrick Coleman	Treasurer	1-7-2018 to 31-12-2018
Michael Cull	Board Member National Rep	1-7-2018 to 31-12-2018
Michael Bellis	Board Member	1-7-2018 to 31-12-2018
Anthony Hillier	Board Member	1-7-2018 to 31-12-2018
Dennis McDonald	Board Member	1-7-2018 to 31-12-2018
Samuel Sage	Board Member	1-7-2018 to 31-12-2018
Jacob Skewes	Board Member	1-7-2018 to 31-12-2018
Scott Chapman	Board Member	1-7-2018 to 31-12-2018
John Klaas	Board Member	1-7-2018 to 31-12-2018

Following disbandment, the responsibility for presentation and approval of the financial report of the NT Branch rested with the National Board of CCF.

**Operating Report
for the Period Ended 31 December 2018**

Manner of resignation

Members could 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 sub-rule (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: Michael Unger, National President

Dated: 7th May 2019

**National Board Statement
for the Period Ended 31 December 2018**

On 7th May 2019 the Civil Contractors Federation National Board passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the period ended 31 December 2018:

The National Board 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 period to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit could pay its debts as and when they become due and payable prior to disbandment; and
- (e) during the period to which the GPFR relates:
 - (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.

This declaration is made in accordance with a resolution of the National Board of CCF.

Signature of designated officer:



Name and title of designated officer: Michael Unger, National President

Dated: 7th May 2019

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

We declare that, to the best of our knowledge and belief, during the period ended 31 December 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 7th May 2019

**Expenditure Report
For the Period ended 31 December 2018**

The National Board of CCF presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the period ended 31 December 2018.

Note	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
CATEGORIES OF EXPENDITURE		
Remuneration and other employment-related costs and Expenses - employees	26,498	56,154
Advertising	-	1,323
Operating Costs	75,823	217,759
Donations to Political Parties	-	-
Legal Costs	-	-
Total	102,321	275,236

Signature of designated officer:



Name and title of designated officer: Michael Unger, National President

Dated: 7th May 2019

CIVIL CONTRACTORS FEDERATION (NT BRANCH)

**Statement of Profit or Loss
for the Period Ended 31 December 2018**

	Note	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
Revenue	3	149,993	349,218
Employee expenses	4e	(26,498)	(56,154)
Depreciation	4c	(451)	(1,383)
Bad and doubtful debts	4a	-	-
Accounting and audit fees	4b	(2,100)	(2,100)
Merchant fees and bank charges		-	(802)
National Levy	4d	(10,672)	(16,500)
Functions, seminars and conference costs		(25,343)	(81,305)
Consultant costs		(2,590)	(3,333)
Contracting Fees		(27,880)	(90,830)
Travelling expenses		(35)	(4,898)
Member Services		(250)	(282)
Other expenses from ordinary activities	4f	(6,502)	(17,649)
Profit / (Loss) from ordinary activities		47,672	73,982
Significant Item of Expense	13c	(443,238)	-
Profit / (Loss) from ordinary activities after Significant Item of Expense		(395,566)	73,982
Income tax expense	1a	-	-
Profit / (loss) from ordinary activities after income tax expense attributable to the Federation		(395,566)	73,982

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income
for the Period Ended 31 December 2018**

	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
Profit / (Loss) for the period	(395,566)	73,982
Other Comprehensive Income for the period (net of tax)		
Total Comprehensive (Loss) / Income for the period	(395,566)	73,982
Total Comprehensive (Loss) / Income attributable to members of the organisation	(395,566)	73,982

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION (NT BRANCH)**Statement of Financial Position
as at 31 December 2018**

	Note	31 December 2018 \$	30 June 2018 \$
CURRENT ASSETS			
Cash and cash equivalents	5	-	406,411
Trade and other receivables	6	-	134,658
TOTAL CURRENT ASSETS		-	541,069
NON-CURRENT ASSETS			
Plant and equipment	7	-	1,064
TOTAL NON-CURRENT ASSETS		-	1,064
TOTAL ASSETS		-	542,133
CURRENT LIABILITIES			
Trade and other payables	8	-	141,497
Provisions	9	-	5,070
TOTAL CURRENT LIABILITIES		-	146,567
TOTAL LIABILITIES		-	395,566
NET ASSETS		-	395,566
MEMBERS' FUNDS			
Accumulated Surplus		-	395,566
TOTAL MEMBERS' FUNDS		-	395,566

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION (NT BRANCH)

**Statement of Changes in Members' Funds
for the Period Ended 31 December 2018**

	31 December 2018	30 June 2018
	\$	\$
Retained Earnings Balance as at 1 July 2018	395,566	321,584
(Loss) / Profit attributable to members	(395,566)	73,982
Balance at 31 December 2018	-	395,566

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION (NT BRANCH)

**Statement of Cash Flow
For the Period ended 31 December 2018**

	Note	31 December 2018 \$	30 June 2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		235,024	232,281
Receipts from related entities		6,645	15,196
Payments to suppliers and employees		(96,008)	(126,321)
Payments to related entities		(11,072)	(21,903)
Interest received		922	1,741
Net cash provided by operating activities	13b	135,511	100,994
CASH FLOWS FROM INVESTING ACTIVITIES			
Plant and Equipment Acquired		-	(1,591)
Net cash (used in) investing activities		-	(1,591)
Net (decrease)/increase in cash held		135,511	99,403
Cash at the beginning of the financial year		406,411	307,008
Transfer of cash to CCF on disbandment of Branch		(541,922)	-
Cash at the end of the financial year	13a	-	406,411

The accompanying notes form part of these financial statements

**Notes to the Financial Statements
for the Period Ended 31 December 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 (NT Branch) is a 'not for profit' entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost. 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. Given the disbandment of the Branch effective at 31 December, 2018 – refer the note below, the financial statements have not been prepared on a going concern basis, all assets and liabilities having been transferred to Civil Contractors Federation on that date. Rather, the financial report and in particular the assets and liabilities of the branch, prior transfer, were measured on a "liquidation" basis which reflected their recoverable values and expected settlement amounts as at the date of transfer.

The financial statements are presented in Australian dollars.

The financial report covers Civil Contractors Federation (NT Branch) as an Individual entity. Civil Contractors Federation (NT Branch) was a Federation incorporated in Northern Territory under the Fair Work (Registered Organisations) Act 2009 until the date of disbandment referred to above.

Disbandment of Branch

In accordance with a resolution made by the National Board of CCF on 16 November, 2018, with effect from 31 December, 2018, CCF adopted a new constitution and rules which were certified by the Fair Work Commission. It was also resolved that effective as at 31 December, 2018, all assets, liabilities and undertakings of the branch be transferred for \$nil consideration to CCF at which point in time, the branch would be disbanded. Set out below is a summary of the assets, liabilities and undertakings transferred by the branch to CCF as at 31 December, 2018:

	\$
Cash	541,922
Trade Receivables	42,060
Plant & Equipment	613
Trade and Other Payables	(136,278)
Employee Entitlements	(5,079)
Net Assets	443,238

On the basis that \$nil consideration was received for this transfer, an amount of \$0.443 million has been reported as a "Significant Item of Expense" in the Statement of Profit/Loss and Other Comprehensive Income.

As set out in the bases of accounting note, the Branch will no longer operate and hence is not a going concern as at the date of this financial report.

Prior Year Comparatives

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

**Notes to the Financial Statements
for the Period Ended 31 December 2018**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

Accounting Policies

a. Income Tax

The Federation is registered under the Fair Work (Registered Organisations) Act 2009 and, is believed to have been 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 included 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 was carried at cost or fair value, less, where applicable, any accumulated depreciation and impairment losses.

Cost and valuation

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

The carrying amount of plant and equipment were reviewed at each reporting date by the Board to ensure they were not in excess of the recoverable amount of those assets. The recoverable amount was 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 were measured at the lower of cost and fair value.

Depreciation

The depreciable amounts of plant and equipment were depreciated using the straight line method at rates based on their estimated useful lives commencing from the time the asset is held ready for use.

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

	31 December 2018	30 June 2018
Office plant and equipment	37.5%	37.5%
Furniture and Fittings	37.5%	37.5%

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

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

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

**Notes to the Financial Statements
for the Period Ended 31 December 2018**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

Accounting Policies

d. Trade and other Receivables

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

The collectability of debts has been reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivable was 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 was recognised in the income statement as an expense.

e. Trade and other Payables

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

f. Financial Instruments

Financial instruments were 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 have been recognised in the Statement of Profit and Loss.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

g. Employee Benefits

Short-term employee benefits

Provision has been 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 have been 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 have been recognised as part of current trade and other payables in the statement of financial position.

Long-term employee benefits

Provision was 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. Other long-term employee benefits were 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 other long-term employee benefits were recognised in profit or loss in the periods in which the changes occur.

The Branch's obligations for long-term employee benefits were presented as non-current provisions in its statement of financial position, except where the Branch did 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 were presented as current provisions.

No provision has been 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 were 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.

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, were transferred to the Branch were classified as finance leases.

Finance leases were 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 were depreciated on a straight line basis over their estimated useful lives where it is likely that the Branch would obtain ownership of the asset over the term of the lease. Lease payments were allocated between the reduction of the lease liability and the lease interest expense for the period.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

h. Leases (cont'd)

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

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

i. Goods and Services Tax (GST)

Revenues, expenses and assets have been 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 has been recognised as part of the cost of acquisition of the asset or as part of an item of expense, and 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

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 is recognised in proportion to the stage of completion of the service (this includes any grant income received/receivable).

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

k. Operating Segment

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

The Branch operated predominantly in one business and geographical segment, being a representative body of civil engineering contractors in NT 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 NT Australia.

l. Fair Value of Assets and Liabilities

The Branch measured 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 were 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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

I. Fair Value of Assets and Liabilities (cont'd)

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 took 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 have been 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 was not available, other valuation techniques were adopted and, where significant, detailed in the respective note to the financial statement.

m. Capitation Fees

These fees were recognised on an accruals basis, and recorded as an expense in the period to which they related.

n. Critical Accounting Estimates and Judgements

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 period ended 31 December 2018, except as stated in this report.

Key Judgements - Doubtful Debts Provision

The Board assessed each debtor and estimated no provision for doubtful debts was required except as disclosed at Note 6. The Board believes that the full amount of the remaining debtors was recoverable.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

o. New Accounting Standards for Application in Future Periods

The AASB issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which would have been relevant to the entity. The Committee of Management and CCF Board decided not to early adopt any of the new and amended pronouncements as at the date of disbandment.

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).

q. Going Concern

Given the disbandment of the branch effective at 31 December 2018, the financial statements have not been prepared on a going concern basis, all assets and liabilities having been transferred to Civil Contractors Federation on that date. Rather, the financial report and in particular the assets and liabilities of the branch, prior transfer, were measured on a "liquidation" basis which reflected their recoverable values and expected settlement amounts as at the date of transfer.

The Branch has not been reliant on any agreed financial support to continue as a going concern, nor has it agreed to provide such support to ensure other branches operated as a going concern.

2. FUND ANALYSIS

For the financial period ended 31 December 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; and
- there is no balance within the general fund.

CIVIL CONTRACTORS FEDERATION (NT BRANCH)

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 3: REVENUE		
Operating activities:		
Membership Income (Subscriptions)	53,202	105,410
Associate Membership Fees	22,552	47,310
Sponsorship	6,614	35,705
Functions	15,703	52,492
Grants	51,000	106,260
SCIMS Programme	-	-
Interest Received	922	1,741
Sundry Income	-	300
Capitation Fee	-	-
Director Fees	-	-
Affiliation Fees	-	-
Compulsory Levies	-	-
Donations > \$1,000	-	-
Donations < \$1,000	-	-
Grants > \$1,000	-	-
Grants < \$1,000	-	-
Financial Support- other Branches	-	-
Other Revenue Derived From Undertaking Recovery of Wager Activity	-	-
Total Revenue	149,993	349,218
NOTE 4: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
The operating profit/(loss) of the Branch before income tax expense has been determined after:		
a. Bad and Doubtful Debts		
Bad debts written off to expense	-	-
Provision for doubtful debts	-	-
	-	-
b. Auditor's Remuneration		
Accounting fees – other parties	-	-
Auditor's remuneration – Audit of Financial Statements (other services - \$nil (30 June 2018: \$nil))	2,100	2,100
	2,100	2,100
c. Depreciation		
Plant and equipment	451	1,383
	451	1,383

CIVIL CONTRACTORS FEDERATION (NT BRANCH)

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 4: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
d. Levy		
National office levy	10,672	16,500
The levy is imposed by the CCF National Office to assist in funding the National Office operations.		
e. Employee related		
Salaries	22,959	44,310
Superannuation	2,150	4,018
Separation and Redundancies	-	-
Employee benefits (annual leave and long service leave)	1,389	7,826
	<u>26,498</u>	<u>56,154</u>
f. Other expenses		
Meeting expenses	273	1,748
Postage	107	361
Communication expenses	-	248
Stationery	222	654
Insurance expenses	1,354	1,309
Other	4,546	12,610
Loss on Asset Disposal	-	719
Affiliation Fees	-	-
Attendance Allowance / Fee – Meetings & Conferences	-	-
Grants < \$1,000	-	-
Grants > \$1,000	-	-
Donations < \$1,000	-	-
Donations > \$1,000	-	-
Penalties – via RO Act or Regulations	-	-
Other Compulsory Levies	-	-
Membership Subscriptions	-	-
Subscriptions – Political Parties etc.	-	-
Holdings Meetings Costs	-	-
Forgiveness of Loans	-	-
Capitation Fees	-	-
Levies – Other Parties	-	-
Consideration to employers for making payroll deductions of membership subscriptions	-	-
	<u>6,502</u>	<u>17,649</u>

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 5: CASH AND CASH EQUIVALENTS		
Current		
Cash at bank	-	406,411
	-	406,411

The weighted average interest rate for cash as at 31 December 2018 was 2.5 % (30 June 2018: 2.5%)

NOTE 6: TRADE AND OTHER RECEIVABLES

a. Current

Trade debtors	-	134,658
Less: Provision for doubtful debts	-	-
	-	134,658

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.

Details of the trade debtors owing from related parties are outlined at Note 12.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 7: PLANT AND EQUIPMENT

	31 December 2018 \$	30 June 2018 \$
Plant and equipment – at cost	-	4,878
Less: Accumulated depreciation	-	(3,814)
	-	1,064
Total plant and equipment – net book value	-	1,064

Plant and Equipment – at cost

Carrying amount at beginning of the year	1,064	1,575
Additions	-	1,591
Disposals	-	(719)
Depreciation expense	(451)	(1,383)
Transfer to CCF	(613)	-
Carrying amount at end of the year	-	1,064

NOTE 8: TRADE AND OTHER PAYABLES

	31 December 2018 \$	30 June 2018 \$
a. Current		
Deferred income	-	116,220
Trade creditors	-	12,412
Sundry creditors and accruals	-	12,865
	-	141,497

b. Terms and Conditions

Deferred income relates to cash receipts for funding received and membership fees 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 debtors owing from related parties are outlined at Note 12.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 9: PROVISIONS		
a. Current		
Provisions for annual leave	-	5,070
Provision for Long Service Leave	-	-
	-	5,070
b. Non-Current		
Provisions for long service leave	-	-
c. Aggregate employee entitlement liability	-	5,070
d. Number of employees at year-end (prior to disbandment)	1	1

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	5,070	-	-	-	5,070
Total	-	5,070	-	-	-	5,070

	Separation and Redundancy Provisions		Other Employee Provisions		Total	
	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	-	-	-	-	-
Total	-	-	-	-	-	-

There were no bonuses for separation and redundancy or other provisions for officeholders or other employees (30 June 2018: \$nil), except as set out at Note 12.

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

The current portion for this provision included 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 did 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 were classified as current liabilities since the Branch did not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 9: PROVISIONS (cont'd)

The non-current portion for this provision included 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 10: EMPLOYEE BENEFITS

	Elected Officials (Office holders)		Employees (other than Elected Officials)		Total	
	31/12/2018	30/06/2018	31/12/2018	30/06/2018	31/12/2018	30/06/2018
Employee benefits paid/accrued during the period	\$	\$	\$	\$	\$	\$
Wages and Salaries	-	-	22,959	44,310	22,959	44,310
Annual Leave and Long Service Leave	-	-	1,389	7,826	1,389	7,826
Redundancy Payments	-	-	-	-	-	-
Other Employee Expenses	-	-	-	-	-	-
Superannuation	-	-	2,150	4,018	2,150	4,018
Total	-	-	26,498	56,154	26,498	56,154

NOTE 11: FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

The Branch's financial instruments consisted mainly of deposits with banks, short term investments, accounts receivable and payable, and investments in an unlisted company. The Branch did not have any derivative instruments at 31 December 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 met 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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 11: FINANCIAL RISK MANAGEMENT (cont'd)

iii. Financial Risk Exposures and Management

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

Liquidity risk

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

Interest rate risk

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

As at 31 December 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:

	31 December 2018	30 June 2018
	\$	\$
Change in profit/(loss)		
Increase in interest rate by 1%	-	4,064
Decrease in interest rate by 1%	-	(4,064)
Change in equity		
Increase in interest rate by 1%	-	4,064
Decrease in interest rate by 1%	-	(4,064)

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

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

Credit Risk Exposure

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

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

Interest Rate Risk

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

	Weighted Average Effective Interest Rate %	Floating Interest Rate	1 year or less	Fixed Interest Rate Maturities			Total
				1 to 5 years	Over 5 years	Non Interest Bearing	
		\$	\$	\$	\$	\$	\$
31 December 2018							
Assets:							
Cash	N/A	-	-	-	-	-	-
Trade and Sundry Debtors		-	-	-	-	-	-
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	-	-
Borrowings	N/A	-	-	-	-	-	-
Net financial assets		-	-	-	-	-	-

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 11: FINANCIAL RISK MANAGEMENT (cont'd)

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	1 year or less \$	1 to 5 years \$	Fixed Interest Rate Maturities Over 5 years \$	Non Interest Bearing \$	Total \$
30 June 2018							
Assets:							
Cash	2.55	406,411	-	-	-	-	406,411
Trade Debtors and Other		-	-	-	-	134,658	134,658
		406,411	-	-	-	134,658	541,069
Liabilities:							
Sundry Creditors		-	-	-	-	(141,497)	(141,497)
		-	-	-	-	(141,497)	(141,497)
Net financial assets		406,411	-	-	-	(6,839)	399,572

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 Period Ended 31 December 2018 (cont'd)**

NOTE 12: RELATED PARTIES

a. NT Branch Committee of Management

The names of the members of the NT Committee of Management who held office during the period are as follows:

Ian Hinchliffe, Mark Wilkes, Patrick Coleman, Michael Cull, Michael Bellis, Anthony Hillier, Dennis McDonald, Samuel Sage, Jacob Skewes, Scott Chapman and John Klaas.

No officeholder received any remuneration during the period or accrued an employee entitlement.

The officeholders received no 'non cash' benefits (30 June 2018: \$nil). No officeholder of the Branch during the period and/or the prior period declared any material personal interest in a matter that he/she has or did acquire, or a relative of the officeholder has or did acquire. Personal interests and directorships are disclosed in the Operating Report.

No officeholder or officer of the Branch (this period or last period) 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 at any time during the period ended 31 December 2018:

Tom Harris (Chief Executive Officer) – contractor

c.

Key Management Personnel Remuneration	31 December 2018				
	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments
	\$	\$	\$	\$	\$
Total	-	-	-	-	-

c.

Key Management Personnel Remuneration	30 June 2018				
	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments
	\$	\$	\$	\$	\$
Total	-	-	-	-	-

Total fees from contract services provided to the Branch amounted to \$27,880 (30 June 2018: \$90,830).

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 12: RELATED PARTIES

d. Annual Leave and Long Service Leave Accrued for Key Management Personnel During the Year	31 December 2018			30 June 2018		
	\$			\$		
	Annual Leave	Long Service Leave	Total	Annual Leave	Long Service Leave	Total
	\$	\$	\$	\$	\$	\$
Total Leave Provision	-	-	-	-	-	-

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

Entities related to NT 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	31 December 2018	30 June 2018
	\$	\$
During the period, the NT Branch paid a National capitation levy calculated in accordance with the rules.	10,672	16,500

f. Related Party balances at year end

Amounts receivable/(payable) at reporting date – Federal office and other branches	31 December 2018	30 June 2018
	\$	\$
National Office	-	-
Victoria Branch	-	-
South Australia Branch	-	-
Balance Reconciliation- related entities		
National Office		
Carrying amount at beginning of the year	-	(2,066)
Levy payment	(10,672)	(16,500)
Sundry income	-	-
Sundry charges	(400)	(1,337)
Payment made	11,072	19,903
Receipts	-	-
Transfer to CCF	-	-
Carrying amount at end of the year	-	-
Victoria Branch		
Carrying amount at beginning of the year	-	83
Sundry income	-	-
Sundry charges	-	(8)
Receipts	-	(75)
Payment made	-	-
Transfer to CCF	-	-
Carrying amount at end of the year	-	-
South Australia Branch		
Carrying amount at beginning of the year	-	(1,201)
Sundry charges	-	-
Sundry income	8,251	14,322
Receipts	(6,645)	(15,121)
Payment made	-	2,000
Transfer to CCF	(1,606)	-
Carrying amount at end of the year	-	-

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 12: RELATED PARTIES

There is no provision for doubtful debts in respect of the related party balances listed above (30 June 2018: \$nil).

The sales to and purchases from related parties were made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at 31 December 2018 were unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 31 December 2018, the Civil Contractors Federation (VIC Branch) has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (30 June 2018: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

No payments to a former related party of the Branch occurred for the period to 31 December 2018.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 13: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash at bank	-	406,411
	-	406,411
b. Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Operating profit / (loss) after income tax	(395,566)	73,982
Non-cash flows in profit/(loss) from ordinary activities		
- Depreciation	451	1,383
- Loss on transfer of Net Assets to CCF	443,238	-
Changes in operating assets and liabilities		
Decrease/(Increase) in receivables	92,598	(102,026)
(Decrease)/Increase in payables and other creditors	(5,219)	121,866
(Decrease)/Increase in employee provisions	9	5,070
Net cash provided by operating activities	135,511	100,994

c. Cash Transfer

At disbandment date, the fair value of net assets transferred to CCF for \$nil consideration amounted to \$0.443 million (refer Note 1). Cash of \$541,922 was transferred to CCF as part of this transaction (refer also Note 1).

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 14: OPERATING COMMITMENTS		
Operating Lease Commitments – as lessee		
Future minimum rentals payable under non-cancellable operating leases at 31 December 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	-	-
Operating Lease Commitments – as lessee	-	-
Operating Lease Commitments – as lessor		
*Future minimum rentals payable under non-cancellable operating leases at 31 December 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	-	-
Operating Lease Commitments – as lessor	-	-

NOTE 15: FINANCE LEASE COMMITMENTS

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

NOTE 16: CAPITAL COMMITMENTS

At 31 December 2018, the entity has no capital commitments.

NOTE 17: EVENTS SUBSEQUENT TO BALANCE DATE

At 31 December 2018, there are no subsequent events to balance date.

NOTE 18: 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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 18: FAIR VALUE MEASUREMENT (cont'd)

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 by the Branch 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.

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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 18: FAIR VALUE MEASUREMENT (cont'd)

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.

Note	31 December 2018			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Available for sales assets	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

	30 June 2018			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Financial assets available for sale:	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

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

Description	Fair Value at 31 December 2018 \$	Valuation Technique(s)	Inputs Used
<i>Financial assets</i>			
Financial assets at fair value through future cash flow:	-	Market approach: valuation techniques that reflect prices and other relevant information generated by market transactions for identical or similar assets	Market price per share, market borrowing date
	-		

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 18: FAIR VALUE MEASUREMENT (cont'd)

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 liability.

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 19: CONTINGENT ASSETS OR LIABILITIES

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

NOTE 20: ECONOMIC DEPENDENCY

The Branch was economically dependent on ongoing funding in the form of membership fees.

NOTE 21: OTHER DISCLOSURES

The Branch did not receive or provide any financial support from/(to) any other reporting unit during the period.

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.

At 31 December 2018, there was \$nil payable in respect of legal costs – relating to ‘other matters’ and \$nil payable relating to legal litigation (30 June 2018: \$nil - relating to ‘other matters’, \$nil payable relating to litigation). No payable exists at reporting date in respect of consideration for payroll deductions of membership subscriptions (30 June 2018: \$nil).

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 22: OTHER ACTIVITIES

The Branch did not acquire an asset or liability during the financial period due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, and/or a determination or revocation by the General Manager, Fair Work Commission.

NOTE 23: BRANCH DETAILS

The registered office and the principal place of business of the Branch is:
Civil Contractors Federation (NT Branch)
Ground Floor, Development House
76 The Esplanade,
Darwin NT 0800

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Civil Contractors Federation (NT Branch), which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period ended 31 December 2018, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement and the subsection 255(2A) report.

In our opinion, paying due regard to the matter set out in the 'Going Concern Basis' paragraph below, the accompanying financial report presents fairly, in all material aspects, the financial position of Civil Contractors Federation (NT Branch) as at 31 December 2018, and its financial performance and its cash flows for the period 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 liquidation basis of accounting – refer further below, in the preparation of the financial statements of the NT Branch is appropriate.

Going Concern Basis

We draw attention to Note 1 in the financial report, which indicates that with effect from 31 December 2018, Civil Contractors Federation (NT Branch) was disbanded. This occurrence has precluded the NT Branch from operating as a 'going concern' at the end of the reporting period. The financial report has been henceforth been prepared on a 'liquidation' basis at reporting date, wherein the statement of financial position reflects the recoverable amounts of assets and estimated liability settlement amounts at that date. Our opinion is not modified in respect of this matter.

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 and the National Board of CCF are 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 and CCF National Board for the Financial Report

The Committee of Management of NT Branch and the National Board of CCF were 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 they 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 and the National Board of CCF have been responsible for assessing NT Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and ultimately using the liquidation basis of accounting given NT Branch operations ceased on 31 December 2018.

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, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 and the National Board's use of the liquidation basis of accounting, based on the audit evidence obtained. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- 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 NT 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.

Stannards Accountants and Advisors

A handwritten signature in black ink, appearing to read 'MBS', with a long horizontal stroke extending to the right.

Michael B Shulman
Partner

Melbourne, VIC
Dated: 7th May 2019

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



**CIVIL CONTRACTORS
FEDERATION**

**CIVIL CONTRACTORS FEDERATION
(QLD BRANCH)**

ABN 24 778 482 952

**Financial Report
for the Period Ended
31 December 2018**

**CIVIL CONTRACTORS FEDERATION
(QLD BRANCH)**

ABN 24 778 482 952

**Financial Report
for the Period Ended
31 December 2018**

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Operating Report for the Period Ended 31 December 2018

The National Board of Civil Contractors Federation (CCF) presents the operating report on Civil Contractors Queensland Branch (CCF QLD) for the period ended 31 December 2018.

Principal Activities s254(2) (9a)

The principal activities of the Branch during the financial period were as follows:

The Federation operated predominantly in one business and geographical segment, being a representative body of civil construction contractors in Queensland, 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 awards rates of and work practices to members of the Branch throughout Queensland. The Branch represented its members and the general public at all levels of Government and lobbies for concessions relating to civil construction and business trade.

Results of principal activities s254(2)(a)

The Branch's principal activities resulted in a trading loss of \$325,393 for the period ended 31 December 2018, before providing for a 'significant item of expense' of \$7,340,294 (refer below) relating to the disbandment of the Branch (30 June 2018 loss: \$1,246,010).

Advocacy and member services in industrial relations services have again been a focus given the Federal Workplace Relations reform including workplace agreements and Building and Construction Industry Code Compliance. Other advocacy included, state and local government procurement, demerit points system, workplace diversity, QBCC licensing and oversight, WH&S, security of payments, skills development and training, government spending, forms of contract and tax reform.

The Branch has also continued service provision in workplace training to meet industry demand. Such demand has however stagnated for this period. This was forecasted and as such reduced training revenues were anticipated. More robust inflows of revenue were forecast for the last half of the financial year.

Events have been well received. The major event for period was the Queensland Excellence in Civil Construction Awards which was attended by over 400. Industry events and regional functions have been well attended.

Membership has grown and is exceeding forecasts. The number of industry committees has been increased. The committees are:

- Work Health and Safety
- Environmental and Sustainability
- Diversity in Civil Construction
- TMR Technical Committee Working Group

The North Queensland office is now consolidated with senior staff and trainers.

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

Matters and circumstances that arose which significantly affected the financial affairs of the branch were:

- Turnover of staff
- Access to trainees
- Timing of securing sponsorship

Additionally, on 31 December 2018, the Branch was disbanded and its net assets transferred to CCF for no consideration in accordance with the approval of members and the Fair Work Commission.

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

Refer to Note 1 'Disbandment of Branch' relating to circumstances during the period which significantly affect the financial affairs of the Branch.

**Operating Report
for the Period Ended 31 December 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 held 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.

Number of Members *reg 159(a)*

The number of persons who, at the end of the period (i.e. immediately prior disbandment), were recorded on the Register of members was: 88 full members and 76 associate members. (2018 financial year; 86 full members and 82 associate members).

Number of Employees *reg 159(b)*

The number of persons who were, at the end of the period (i.e. immediately prior disbandment), full time employees of the QLD Branch of the Federation was 18 (30 June 2018: 20).

QLD Branch Board Members *reg 159(c)*

The persons who held office as members of the Board of the QLD Branch during the period until its disbandment were:

Name	Position	Period
Peter Kendall	Branch President	01-07-18 – 31-12-18
Tim McIlwain	Branch Vice President	01-07-18 – 31-12-18
Mark Goodwin	Branch Treasurer	01-07-18 – 31-12-18
Luke Bird	Branch Board Member	01-07-18 – 31-12-18
Gavin Turner	Branch Board Member	01-07-18 – 31-12-18
Terry Cogill	Branch Board Member	01-07-18 – 31-12-18
Mark Goodwin	Branch Board Member	01-07-18 – 31-12-18
Peter Kendall	Branch Board Member	01-07-18 – 31-12-18
Tim McIlwain	Branch Board Member	01-07-18 – 31-12-18
Mark Panizza	Branch Board Member	01-07-18 – 31-12-18
David Moody	Branch Board Member	01-07-18 – 31-12-18
Stephen Beck	Branch Board Member	01-07-18 – 31-12-18

Following disbandment, the responsibility for presentation and approval of the financial report of the QLD Branch rested with the National Board of CCF.

**Operating Report
for the Period Ended 31 December 2018**

Manner of resignation

Members could 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 sub-rule (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: Michael Unger, National President

Dated: 7th May 2019

**National Board Statement
for the Period Ended 31 December 2018**

On 7th May 2019 the Civil Contractors Federation National Board passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the period ended 31 December 2018:

The National Board 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 period to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit could pay its debts as and when they become due and payable prior to disbandment; and
- (e) during the period to which the GPFR relates:
 - (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.

This declaration is made in accordance with a resolution of the National Board of CCF.

Signature of designated officer:



Name and title of designated officer: Michael Unger, National President

Dated: 7th May 2019

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

We declare that, to the best of our knowledge and belief, during the period ended 31 December 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 7th May 2019

**Expenditure Report
For the Period ended 31 December 2018**

The National Board of CCF presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the period ended 31 December 2018.

Note	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
CATEGORIES OF EXPENDITURE		
Remuneration and other employment-related costs and Expenses - employees	888,253	2,059,644
Advertising	19,980	46,638
Operating Costs	773,917	1,896,971
Donations to Political Parties	-	318
Legal Costs	4,303	2,984
Total	1,686,453	4,006,555

Signature of designated officer:



Name and title of designated officer: Michael Unger, National President

Dated: 7th May 2019

CIVIL CONTRACTORS FEDERATION (QLD BRANCH)

**Statement of Profit or Loss
for the Period Ended 31 December 2018**

	Note	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
Revenues	3	1,361,060	2,760,545
Employee expenses	4f	(888,253)	(2,059,644)
Rental expenses	4c	(23,734)	(60,267)
Functions, seminars and conference costs		(91,881)	(227,970)
Direct training costs and resource development		(49,351)	(338,950)
Depreciation and amortisation	4d	(204,390)	(364,269)
Bad and doubtful debts	4a	-	(6,672)
Auditor's Remuneration	4b	(5,500)	(9,730)
Advertising & promotion		(19,980)	(46,638)
Communications		(26,802)	(54,689)
Computer Support / Maintenance		(39,847)	(80,101)
National Levy	4e	(67,619)	(104,500)
Staff Training & development		(3,278)	(6,702)
Printing & stationery		(3,826)	(13,262)
Travelling expenses		(22,238)	(36,104)
Merchant fees and bank charges		69	249
Motor vehicle expenses		(44,265)	(108,082)
Consultancy Fees		-	(66,417)
Other expenses from ordinary activities	4g	(195,558)	(422,807)
(Loss) from ordinary activities		(325,393)	(1,246,010)
Significant Item of Expense	16c	(7,340,294)	-
(Loss) from ordinary activities after Significant Item of Expense		(7,665,687)	(1,246,010)
Income tax expense	1a	-	-
(loss) from ordinary activities after income tax expense attributable to the Federation		(7,665,687)	(1,246,010)

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income
for the Period Ended 31 December 2018**

	1 July 2018 - 31 December 2018	1 July 2017 - 30 June 2018
	\$	\$
(Loss) / Profit for the period	(7,665,687)	(1,246,010)
Other Comprehensive Income for the period (net of tax)	-	-
Total Comprehensive (Loss) / Income for the period	(7,665,687)	(1,246,010)
Total Comprehensive (Loss) / Income attributable to members of the organisation	(7,665,687)	(1,246,010)

The accompanying notes form part of the financial statements

**Statement of Financial Position
as at 31 December 2018**

	Note	31 December 2018 \$	30 June 2018 \$
CURRENT ASSETS			
Cash and cash equivalents	5	-	466,460
Trade and other receivables	6	-	545,347
Other current assets	7	-	139,177
TOTAL CURRENT ASSETS		-	1,150,984
NON-CURRENT ASSETS			
Financial assets	8	-	57,202
Plant and equipment	9	-	7,589,841
TOTAL NON-CURRENT ASSETS		-	7,647,043
TOTAL ASSETS		-	8,798,027
CURRENT LIABILITIES			
Trade and other payables	10	-	1,004,042
Short term provisions	11a	-	85,760
Borrowings	13	-	11,241
TOTAL CURRENT LIABILITIES		-	1,101,043
NON-CURRENT LIABILITIES			
Borrowings	13	-	31,297
TOTAL NON-CURRENT LIABILITIES		-	31,297
TOTAL LIABILITIES		-	1,132,340
NET ASSETS		-	7,665,687
MEMBERS' FUNDS			
Accumulated Surplus		-	7,665,687
TOTAL MEMBERS' FUNDS		-	7,665,687

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION (QLD BRANCH)**Statement of Changes in Members' Funds
for the Period Ended 31 December 2018**

	31 December 2018	30 June 2018
	\$	\$
Retained Earnings Balance as at 1 July 2018	7,665,687	8,911,697
(Loss) / Profit attributable to members	(7,665,687)	(1,246,010)
Balance at 31 December 2018	-	7,665,687

The accompanying notes form part of the financial statements

**Statement of Cash Flow
For the Period ended 31 December 2018**

	Note	31 December 2018 \$	30 June 2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		1,308,258	3,165,944
Receipts from related entities – National Office		38,372	32,371
Receipts from related entities – Victoria Branch		1,018	1,982
Receipts from related entities – WA Branch		9,290	261,038
Payments to suppliers and employees		(1,588,615)	(3,608,515)
Payments to related entities – National Office		(45,260)	(111,847)
Payments to related entities – Victoria Branch		(47)	(400)
Interest received		1,429	5,614
Net cash provided by operating activities	16b	(275,555)	(253,813)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(2,806)	(57,794)
Net proceeds of sale of plant and equipment		14,283	23,058
Net cash (used in) investing activities		11,477	(34,736)
CASH FLOWS FROM FINANCING ACTIVITIES			
Borrowings		(4,909)	42,538
Net cash (used in) financing activities		(4,909)	42,538
Net (decrease)/increase in cash held		(268,987)	(246,011)
Cash at the beginning of the financial year		466,460	712,471
Transfer of cash to CCF on disbandment of Branch		(197,473)	-
Cash at the end of the financial year	16a	-	466,460

The accompanying notes form part of these financial statements

**Notes to the Financial Statements
for the Period Ended 31 December 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 (QLD Branch) is a 'not for profit' entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost. 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. Given the disbandment of the Branch effective at 31 December, 2018 – refer the note below, the financial statements have not been prepared on a going concern basis, all assets and liabilities having been transferred to Civil Contractors Federation on that date. Rather, the financial report and in particular the assets and liabilities of the branch, prior transfer, were measured on a "liquidation" basis which reflected their recoverable values and expected settlement amounts as at the date of transfer.

The financial statements are presented in Australian dollars.

The financial report covers Civil Contractors Federation (QLD Branch) as an Individual entity. Civil Contractors Federation (QLD Branch) was a Federation incorporated in Queensland under the Fair Work (Registered Organisations) Act 2009 until the date of disbandment referred to above.

Disbandment of Branch

In accordance with a resolution made by the National Board of CCF on 16 November, 2018, with effect from 31 December, 2018, CCF adopted a new constitution and rules which were certified by the Fair Work Commission. It was also resolved that effective as at 31 December, 2018, all assets, liabilities and undertakings of the branch be transferred for \$nil consideration to CCF at which point in time, the branch would be disbanded. Set out below is a summary of the assets, liabilities and undertakings transferred by the branch to CCF as at 31 December, 2018:

	\$
Cash	197,473
Trade Receivables	538,750
Plant & Equipment	379,095
Other Assets	192,764
Land & Buildings	7,017,211
Trade and Other Payables	(861,258)
Borrowings	(37,629)
Employee Entitlements	(86,112)
Net Assets	7,340,294

On the basis that \$nil consideration was received for this transfer, an amount of \$7.340 million has been reported as a "Significant Item of Expense" in the Statement of Profit/Loss and Other Comprehensive Income.

As set out in the bases of accounting note, the Branch will no longer operate and hence is not a going concern as at the date of this financial report.

Prior Year Comparatives

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

**Notes to the Financial Statements
for the Period Ended 31 December 2018**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

Accounting Policies

a. Income Tax

The Federation is registered under the Fair Work (Registered Organisations) Act 2009 and, is believed to have been 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 included 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 was carried at cost or fair value, less, where applicable, any accumulated depreciation and impairment losses.

Cost and valuation

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

The carrying amount of plant and equipment were reviewed at each reporting date by the Board to ensure they were not in excess of the recoverable amount of those assets. The recoverable amount was 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 were measured at the lower of cost and fair value.

Depreciation

The depreciable amounts of plant and equipment were depreciated using the straight line method at rates based on their estimated useful lives commencing from the time the asset is held ready for use.

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

	31 December 2018	30 June 2018
Leasehold improvements	2.5% - 33.33%	2.5% - 33.33%
Office plant and equipment	10%-20%	10%-37.5%
Furniture and Fittings	18.75%	18.75%
Motor Vehicles	12.5%-40%	12.5%-40%

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

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

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

**Notes to the Financial Statements
for the Period Ended 31 December 2018**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

Accounting Policies

d. Trade and other Receivables

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

The collectability of debts has been reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivable was 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 was recognised in the income statement as an expense.

e. Trade and other Payables

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

f. Financial Instruments

Financial instruments were 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 have been recognised in the Statement of Profit and Loss.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

g. Employee Benefits

Short-term employee benefits

Provision has been 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 have been 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 have been recognised as part of current trade and other payables in the statement of financial position.

Long-term employee benefits

Provision was 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. Other long-term employee benefits were 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 other long-term employee benefits were recognised in profit or loss in the periods in which the changes occur.

The Branch's obligations for long-term employee benefits were presented as non-current provisions in its statement of financial position, except where the Branch did 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 were presented as current provisions.

No provision has been 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 were 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.

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, were transferred to the Branch were classified as finance leases.

Finance leases were 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 were depreciated on a straight line basis over their estimated useful lives where it is likely that the Branch would obtain ownership of the asset over the term of the lease. Lease payments were allocated between the reduction of the lease liability and the lease interest expense for the period.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

h. Leases (cont'd)

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

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

i. Goods and Services Tax (GST)

Revenues, expenses and assets have been 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 has been recognised as part of the cost of acquisition of the asset or as part of an item of expense, and 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

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 is recognised in proportion to the stage of completion of the service (this includes any grant income received/receivable).

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

k. Operating Segment

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

The Branch operated predominantly in one business and geographical segment, being a representative body of civil engineering contractors in QLD 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 QLD Australia.

l. Fair Value of Assets and Liabilities

The Branch measured 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 were 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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

I. Fair Value of Assets and Liabilities (cont'd)

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 took 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 have been 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 was not available, other valuation techniques were adopted and, where significant, detailed in the respective note to the financial statement.

m. Capitation Fees

These fees were recognised on an accruals basis, and recorded as an expense in the period to which they related.

n. Critical Accounting Estimates and Judgements

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 period ended 31 December 2018, except as stated in this report.

Key Judgements - Doubtful Debts Provision

The Board assessed each debtor and estimated no provision for doubtful debts was required except as disclosed at Note 6. The Board believes that the full amount of the remaining debtors was recoverable.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

o. New Accounting Standards for Application in Future Periods

The AASB issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which would have been relevant to the entity. The Committee of Management and CCF Board decided not to early adopt any of the new and amended pronouncements as at the date of disbandment.

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).

q. Going Concern

Given the disbandment of the branch effective at 31 December 2018, the financial statements have not been prepared on a going concern basis, all assets and liabilities having been transferred to Civil Contractors Federation on that date. Rather, the financial report and in particular the assets and liabilities of the branch, prior transfer, were measured on a "liquidation" basis which reflected their recoverable values and expected settlement amounts as at the date of transfer.

The Branch has not been reliant on any agreed financial support to continue as a going concern, nor has it agreed to provide such support to ensure other branches operated as a going concern.

2. FUND ANALYSIS

For the financial period ended 31 December 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; and
- there is no balance within the general fund.

CIVIL CONTRACTORS FEDERATION (QLD BRANCH)

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 3: REVENUE		
Operating activities:		
Training courses and funding	772,011	1,421,785
Member subscriptions	232,178	448,548
Function meeting and other activities	106,543	181,113
Interest income	1,429	5,614
Sponsorship income	113,650	271,695
Skills Centre Funding	-	194,202
CSQ Capability Skills Contract	37,500	76,750
Other income	70,871	141,649
IMS Systems	100	300
Profit on sale of disposal	14,283	18,889
Partnership	12,495	-
Capitation Fee	-	-
Director Fees	-	-
Affiliation Fees	-	-
Compulsory Levies	-	-
Donations > \$1,000	-	-
Donations < \$1,000	-	-
Grants > \$1,000	-	-
Grants < \$1,000	-	-
Financial Support- other Branches	-	-
Other Revenue Derived From Undertaking Recovery of Wager Activity	-	-
Total Revenue	1,361,060	2,760,545
NOTE 4: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
The operating profit/(loss) of the Branch before income tax expense has been determined after:		
a. Bad and Doubtful Debts		
Bad debts written off to expense	-	6,672
Provision for doubtful debts	-	-
	-	6,672
b. Auditor's Remuneration		
Accounting fees – other parties	-	-
Auditor's remuneration – Audit of Financial Statements (other services - \$nil (30 June 2018: \$nil))	5,500	9,730
	5,500	9,730
c. Rental Expense on Leases		
Office rental	23,734	60,267
	23,734	60,267
d. Depreciation and Amortisation		
Plant and equipment and National Resource Training Unit amortisation	204,390	364,269
	204,390	364,269

CIVIL CONTRACTORS FEDERATION (QLD BRANCH)

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 4: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
e. Levy		
National office levy	67,619	104,500
The levy is imposed by the CCF National Office to assist in funding the National Office operations.		
f. Employee related		
Salaries	770,262	1,785,088
Superannuation	72,271	163,818
Separation and Redundancies	-	17,126
Payroll Tax	45,720	100,046
Employee benefits (annual leave and long service leave)	-	(6,434)
	888,253	2,059,644
g. Other expenses		
Business Development	2,922	1,706
Board Meeting Costs	6,435	6,575
Postage	2,958	10,778
Fringe Benefit Tax	23,501	41,032
Member Service Costs	19,005	-
Subscriptions – Other	3,878	25,780
Donations > \$1,000	-	-
Donations < \$1,000	-	318
Legal costs – Litigation	-	-
Legal costs – Consultation (Other Matters)	4,303	2,984
Disposal loss on Fixed Assets	-	-
Affiliation Fees	-	-
Attendance Allowance / Fee – Meetings & Conferences	-	-
Grants < \$1,000	-	-
Grants > \$1,000	-	-
Penalties – via RO Act or Regulations	-	-
Other Compulsory Levies	-	-
Membership Subscriptions	-	-
Public Relations	-	-
Sponsorship	-	-
Subscriptions – Political Parties etc.	-	-
Holdings Meetings Costs	-	-
Forgiveness of Loans	-	-
Capitation Fees	-	-
Levies – Other Parties	-	-
Consideration to employers for making payroll deductions of membership subscriptions	-	-
Other / Sundry	132,556	333,634
	195,558	422,807

h. Expenses – Financial Affairs Administered by Other Entities

For the financial year ended 31 December 2018, there was \$nil incurred for any financial affairs administered by other entities (30 June 2018 \$nil).

CIVIL CONTRACTORS FEDERATION (QLD BRANCH)

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 5: CASH AND CASH EQUIVALENTS		
Current		
Cash on hand	-	6,746
Cash at bank	-	175,296
Short-term bank deposits	-	284,418
	-	466,460

The weighted average interest rate for cash as at 31 December 2018 is 1.2% (30 June 2018: 1.2%)

NOTE 6: TRADE AND OTHER RECEIVABLES

a. Current

Trade debtors	-	368,784
Less: Provision for doubtful debts	-	-
	-	368,784
Accrued Income	-	176,563
	-	545,347

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.

Details of the trade debtors owing from related parties are outlined at Note 15f.

Sundry debtors are non-interest bearing and unsecured.

	31 December 2018 \$	30 June 2018 \$
NOTE 7: OTHER CURRENT ASSETS		
Current		
Prepayments	-	141,329
Deposits	-	(2,152)
	-	139,177

NOTE 8: FINANCIAL ASSETS

a. Non-Current

Carrying value of Investment in National Resource Training Unit	57,202	71,454
Additions	-	-
Disposals	-	-
Amortisation of National Resource Training Unit	(8,048)	(14,252)
Transfer to CCF	(49,154)	-
	-	57,202

b. Terms and Conditions

The Branch held 68.65% of National Resource Training Unit at reporting date (prior to disbandment of branch). This is an unlisted investment.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 9: PLANT AND EQUIPMENT	31 December 2018	30 June 2018
	\$	\$
Land– at cost	-	1,850,000
Land & Buildings – at cost	-	6,919,247
Less: Accumulated depreciation	-	(1,620,800)
	-	5,298,447
Office equipment – at cost	-	676,694
Less: Accumulated depreciation	-	(416,015)
	-	260,679
Furniture & Fittings – at cost	-	57,692
Less: Accumulated depreciation	-	(39,632)
	-	18,060
Motor vehicles – at cost	-	446,057
Less: Accumulated depreciation	-	(283,402)
	-	162,655
Total plant and equipment – net book value	-	7,589,841

Reconciliation of movements in plant & equipment

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year

	Office Equipment	Furniture & Fittings	Motor Vehicles	Land & Buildings	Total
	\$	\$	\$	\$	\$
Balance at the beginning of the year	260,679	18,060	162,655	7,148,447	7,589,841
Additions	1,492	1,314	-	-	2,806
Disposals	-	-	-	-	-
Depreciation expense	(30,151)	(3,743)	(31,211)	(131,236)	(196,341)
Transfer to CCF	(232,020)	(15,631)	(131,444)	(7,017,211)	(7,396,306)
Carrying amount at the end of the year	-	-	-	-	-

NOTE 10: TRADE AND OTHER PAYABLES

	31 December 2018	30 June 2018
	\$	\$
a. Current		
Deferred income	-	445,273
Creditors and accruals	-	558,769
	-	1,004,042

b. Terms and Conditions

Deferred income related to cash receipts for membership fees, training and advertising revenue received for beyond the current reporting period and project funding received for beyond the current reporting period.

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 15f.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 11: PROVISIONS		
a. Current		
Provisions for annual leave	-	85,760
Provision for Long Service Leave	-	-
	-	85,760
b. Non-Current		
Provisions for long service leave	-	-
c. Aggregate employee entitlement liability	-	85,760
d. Number of employees at year-end (prior to disbandment)	18	20

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	85,760	-	-	-	85,760
Total	-	85,760	-	-	-	85,760

	Separation and Redundancy Provisions		Other Employee Provisions		Total	
	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	-	-	-	-	-
Total	-	-	-	-	-	-

There were no bonuses for separation and redundancy or other provisions for officeholders or other employees (30 June 2018: \$nil), except as set out at Note 15.

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

The current portion for this provision included 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 did 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 were classified as current liabilities since the Branch did not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 11: PROVISIONS (cont'd)

The non-current portion for this provision included 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	
	31/12/2018	30/06/2018	31/12/2018	30/06/2018	31/12/2018	30/06/2018
Employee benefits paid/accrued during the period	\$	\$	\$	\$	\$	\$
Wages and Salaries	-	-	770,262	1,785,088	770,262	1,785,088
Annual Leave and Long Service Leave	-	-	-	(6,434)	-	(6,434)
Redundancy Payments	-	-	-	17,126	-	17,126
Superannuation	-	-	72,271	163,818	72,271	163,818
Other employee expenses	-	-	45,720	100,046	45,720	100,046
Total	-	-	888,253	2,059,644	888,253	2,059,644

	31 December 2018	30 June 2018
	\$	\$
NOTE 13: BORROWINGS		
a. Current		
Hire Purchase Liability	-	11,241
b. Non-Current		
Hire Purchase Liability	-	31,297

c. Terms and Conditions

Hire Purchase facilities are secured by the assets they are financing.

NOTE 14: FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

The Branch's financial instruments consisted mainly of deposits with banks, short term investments, accounts receivable and payable, and investments in an unlisted company. The Branch did not have any derivative instruments at 31 December 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 met 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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 14: FINANCIAL RISK MANAGEMENT (cont'd)

iii. Financial Risk Exposures and Management

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

Liquidity risk

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

Interest rate risk

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

As at 31 December 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:

	31 December 2018 \$	30 June 2018 \$
Change in profit/(loss)		
Increase in interest rate by 1%	-	4,172
Decrease in interest rate by 1%	-	(4,172)
Change in equity		
Increase in interest rate by 1%	-	4,172
Decrease in interest rate by 1%	-	(4,172)

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

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

Credit Risk Exposure

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

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

Interest Rate Risk

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

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	1 year or less \$	Fixed Interest Rate Maturities			Total \$
				1 to 5 years \$	Over 5 years \$	Non Interest Bearing \$	
31 December 2018							
Assets:							
Cash	N/A	-	-	-	-	-	-
Trade and Sundry Debtors		-	-	-	-	-	-
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	-	-
Borrowings	N/A	-	-	-	-	-	-
Net financial assets		-	-	-	-	-	-

CIVIL CONTRACTORS FEDERATION (QLD BRANCH)

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 14: FINANCIAL RISK MANAGEMENT (cont'd)

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	1 year or less \$	Fixed Interest Rate Maturities			Total \$
				1 to 5 years \$	Over 5 years \$	Non Interest Bearing \$	
30 June 2018							
Assets:							
Cash	1.2%	459,714	-	-	-	6,746	466,460
Trade and Sundry Debtors		-	-	-	-	684,524	684,524
		459,714	-	-	-	691,270	1,150,984
Liabilities:							
Sundry Creditors & Other Liabilities	12.7%	-	(11,241)	(31,297)	-	(1,004,042)	(1,046,580)
		-	(11,241)	(31,297)	-	(1,004,042)	(1,046,580)
Net financial assets		459,714	(11,241)	(31,297)	-	(312,772)	104,404

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 Period Ended 31 December 2018 (cont'd)**

NOTE 15: RELATED PARTIES

a. QLD Branch Committee of Management

The names of the members of the QLD Committee of Management who held office during the period are as follows:

Peter Kendall, Tim McIlwain, Mark Goodwin, Luke Bird, Gavin Turner, Terry Cogill, Mark Panizza, David Moody and Stephen Beck.

No officeholder received any remuneration during the period or accrued an employee entitlement.

The officeholders received no 'non cash' benefits (30 June 2018: \$nil). No officeholder of the Branch during the period and/or the prior period declared any material personal interest in a matter that he/she has or did acquire, or a relative of the officeholder has or did acquire. Personal interests and directorships are disclosed in the Operating Report.

No officeholder or officer of the Branch (this period or last period) 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 at any time during the period ended 31 December 2018:

Damian Long - Chief Executive Officer
 Tamara Andary - General Manager - Marketing and Events
 Doris Westwood - Manager – Finance, Compliance and Townsville Office
 Adrian Kent - General Manager of Training Services
 Leanne Weier - Client Services Manager
 David Huddleston - Sales & Operations Manager

There were 18 full time equivalent staff at disbandment date (30 June 2018: 20 full time equivalent staff).

c.

Key Management Personnel Remuneration	31 December 2018				
	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments
	\$	\$	\$	\$	\$
Total	344,061	32,686	-	-	-

c.

Key Management Personnel Remuneration	30 June 2018				
	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments
	\$	\$	\$	\$	\$
Total	734,056	68,867	-	-	-

CIVIL CONTRACTORS FEDERATION (QLD BRANCH)

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 15: RELATED PARTIES

	31 December 2018			30 June 2018		
	Annual Leave	Long Service Leave	Total	Annual Leave	Long Service Leave	Total
d. Annual Leave and Long Service Leave Accrued for Key Management Personnel During the Year	\$	\$	\$	\$	\$	\$
Total Leave Provision	-	-	-	58,322	-	58,322

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

Entities related to QLD Branch Board members paid membership fees, event costs and 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. Total transactions are as follows:

Membership fees \$6,548 (30 June 2018: \$56,964)
 Events \$5,682 (30 June 2018: \$23,676)
 Training \$9,932 (30 June 2018: \$98,578)
 Sponsorship \$nil (30 June 2018: \$19,500)

Transactions with officers and officer related entities.

These transactions were on normal commercial terms and conditions.

Levy Payment	31 December 2018	30 June 2018
	\$	\$
During the period, the QLD Branch paid a National capitation levy calculated in accordance with the rules.	67,619	104,500

f. Related Party balances at year end

Amounts receivable/(payable) at reporting date – Federal office and other branches	31 December 2018	30 June 2018
	\$	\$
National Office	-	(2,813)
Victoria Branch	-	-
Western Australia	-	79,084
	-	76,271

Balance Reconciliation- related entities: -

National Office		
Carrying amount at beginning of the year	(2,813)	(5,445)
Levy charge	(67,619)	(104,500)
Sundry charges	(2,511)	(3,372)
Sundry income	35,124	31,028
Receipts	(38,372)	(32,371)
Payment made	45,260	111,847
Transfer to CCF	30,931	-
Carrying amount at end of the year	-	(2,813)

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**
NOTE 15: RELATED PARTIES**f. Related Party balances at year end**

	31 December 2018	30 June 2018
	\$	\$
Victoria Branch		
Carrying amount at beginning of the year	-	1,740
Sundry charges	(47)	(400)
Sundry income	1,018	242
Receipts	(1,018)	(1,982)
Payment made	47	400
Transfer to CCF	-	-
Carrying amount at end of the year	<u>-</u>	<u>-</u>
Western Australia Branch		
Carrying amount at beginning of the year	79,084	221,623
Sundry charges	-	-
Sundry income	4,592	118,499
Receipts	(9,290)	(261,038)
Payment made	-	-
Transfer to CCF	(74,386)	-
Carrying amount at end of the year	<u>-</u>	<u>79,084</u>

There is no provision for doubtful debts in respect of the related party balances listed above (30 June 2018: \$nil).

The sales to and purchases from related parties were made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at 31 December 2018 were unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 31 December 2018, the Civil Contractors Federation (VIC Branch) has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (30 June 2018: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

No payments to a former related party of the Branch occurred for the period to 31 December 2018.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 16: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash at bank and deposit	-	466,460
	-	466,460
b. Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Operating profit / (loss) after income tax	(7,665,687)	(1,246,010)
Non-cash flows in profit/(loss) from ordinary activities		
- Depreciation and amortisation	204,390	364,269
- Loss on transfer of Net Assets to CCF	7,340,294	-
- Disposal (Gain) / Loss - Plant	(14,283)	(18,889)
Changes in operating assets and liabilities		
(Increase) / Decrease in receivables	6,597	706,404
(Increase) / Decrease in other assets	(4,434)	180,549
Increase / (Decrease) in payables and employee entitlements	(142,432)	(240,136)
Net cash provided by operating activities	(275,555)	(253,813)

c. Cash Transfer

At disbandment date, the fair value of net assets transferred to CCF for \$nil consideration amounted to \$7.340 million (refer Note 1). Cash of \$197,473 was transferred to CCF as part of this transaction (refer also Note 1).

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 17: OPERATING COMMITMENTS		
Operating Lease Commitments – as lessee		
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	-	-
Operating Lease Commitments – as lessee	-	-
Operating Lease Commitments – as lessor		
*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	-	52,077
- After one year but not more than five years	-	156,005
- More than five years	-	-
Operating Lease Commitments – as lessor	-	208,082

a. Office Rental

*Given the disbandment of the Branch, new lease agreements will be signed and will be receivable by the Civil Contractors Federation Queensland Ltd.

NOTE 18: FINANCE LEASE COMMITMENTS

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

NOTE 19: CAPITAL COMMITMENTS

At 31 December 2018, the entity has no capital commitments.

NOTE 20: EVENTS SUBSEQUENT TO BALANCE DATE

At 31 December 2018, there are no subsequent events to balance date.

NOTE 21: 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.

Notes to the Financial Statements for the Period Ended 31 December 2018 (cont'd)

NOTE 21: FAIR VALUE MEASUREMENT (cont'd)

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 by the Branch 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.

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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**
NOTE 21: FAIR VALUE MEASUREMENT (cont'd)

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.

Note	31 December 2018			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Available for sales assets	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

	30 June 2018			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Financial assets available for sale:	-	57,202	-	57,202
Total financial assets recognised at fair value	-	57,202	-	57,202
<i>Non-financial assets</i>				
Freehold land & buildings	-	7,148,447	-	7,148,447
Total non-financial assets recognised at fair value	-	7,148,447	-	7,148,447

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

Description	Fair Value at 31 December 2018 \$	Valuation Technique(s)	Inputs Used
<i>Financial assets</i>			
Financial assets at fair value through future cash flow:	-	Market approach: valuation techniques that reflect prices and other relevant information generated by market transactions for identical or similar assets	Market price per share, market borrowing date
	-		

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 21: FAIR VALUE MEASUREMENT (cont'd)

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 liability.

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 22: CONTINGENT ASSETS OR LIABILITIES

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

NOTE 23: ECONOMIC DEPENDENCY

The Branch was economically dependent on ongoing funding in the form of membership fees.

NOTE 24: OTHER DISCLOSURES

The Branch did not receive or provide any financial support from/(to) any other reporting unit during the period.

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.

At 31 December 2018, there was \$nil payable in respect of legal costs – relating to ‘other matters’ and \$nil payable relating to legal litigation (30 June 2018: \$nil - relating to ‘other matters’, \$nil payable relating to litigation). No payable exists at reporting date in respect of consideration for payroll deductions of membership subscriptions (30 June 2018: \$nil).

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 25: OTHER ACTIVITIES

The Branch did not acquire an asset or liability during the financial period due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, and/or a determination or revocation by the General Manager, Fair Work Commission.

NOTE 26: BRANCH DETAILS

The registered office and the principal place of business of the Branch is:

Civil Contractors Federation (QLD Branch)

11 Hi Tech Court

Eight Mile Plains

Queensland 4113

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Civil Contractors Federation (QLD Branch), which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period ended 31 December 2018, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement and the subsection 255(2A) report.

In our opinion, paying due regard to the matter set out in the 'Going Concern Basis' paragraph below, the accompanying financial report presents fairly, in all material aspects, the financial position of Civil Contractors Federation (QLD Branch) as at 31 December 2018, and its financial performance and its cash flows for the period 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 liquidation basis of accounting – refer further below, in the preparation of the financial statements of the QLD Branch is appropriate.

Going Concern Basis

We draw attention to Note 1 in the financial report, which indicates that with effect from 31 December 2018, Civil Contractors Federation (QLD Branch) was disbanded. This occurrence has precluded the QLD Branch from operating as a 'going concern' at the end of the reporting period. The financial report has been henceforth been prepared on a 'liquidation' basis at reporting date, wherein the statement of financial position reflects the recoverable amounts of assets and estimated liability settlement amounts at that date. Our opinion is not modified in respect of this matter.

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 and the National Board of CCF are 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 and CCF National Board for the Financial Report

The Committee of Management of QLD Branch and the National Board of CCF were 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 they 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 and the National Board of CCF have been responsible for assessing QLD Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and ultimately using the liquidation basis of accounting given QLD Branch operations ceased on 31 December 2018.

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, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 and the National Board's use of the liquidation basis of accounting, based on the audit evidence obtained. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- 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 QLD 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.

Stannards Accountants and Advisors

A handwritten signature in black ink, appearing to read 'MBS', with a long horizontal stroke extending to the right.

Michael B Shulman
Partner

Melbourne, VIC
Dated: 7th May 2019

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



**CIVIL CONTRACTORS
FEDERATION**

**CIVIL CONTRACTORS FEDERATION
(SA BRANCH)**

ABN 65 484 720 549

**Financial Report
for the Period Ended
31 December 2018**

**CIVIL CONTRACTORS FEDERATION
(SA BRANCH)**

ABN 65 484 720 549

**Financial Report
for the Period Ended
31 December 2018**

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**Committee of Management Statement
for the Period Ended 31 December 2018**

On 7th May 2019 the Civil Contractors Federation National Board passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the period ended 31 December 2018:

The National Board 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 period to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit could pay its debts as and when they become due and payable prior to disbandment; and
- (e) during the period to which the GPFR relates:
 - (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.

This declaration is made in accordance with a resolution of the National Board of CCF.

Signature of designated officer:



Name and title of designated officer: Michael Unger, National President

Dated: 7th May 2019

**Operating Report
for the Period Ended 31 December 2018**

The National Board of Civil Contractors Federation (CCF) presents the operating report on Civil Contractors South Australia Branch (CCF SA) for the period ended 31 December 2018.

PRINCIPAL ACTIVITIES S254(2)(A)

The principal activities of the SA Branch during the financial period were to represent, promote and protect the Civil Contracting Industry including the provision of technical and other information, the conduct of events and activities and in the provision of training services to members and the general public.

The Branch represents the industry to all levels of Government and advocates for a regulatory and taxation environment that is supportive of the civil construction industry. The major results from the Branch conducting its principal activities were as follows:

- The Branch was able to promote the civil industry and identify the various issues faced by civil contractors and make representations to relevant government authorities and departments.
- The Branch identified and promoted the civil industry needs and made representations for increased public investment in transport and other infrastructure.
- The Branch's training revenues have decreased as a result of a change in the State Government's pre-employment and training policy. The branch invested in expansion of its training into Western Australia and marketing and active promotion of Civil Trains training offerings.
- A number of networking events and forums were held to discuss, brief and advise on issues of relevance to the civil industry.

RESULTS OF PRINCIPAL ACTIVITIES S254(2)(A)

The Branch's principal activities resulted in a trading loss of \$218,028 for the period ended 31 December 2018, before providing for a 'significant item of expense' of \$7,597,557 (refer below) relating to the disbandment of the Branch (30 June 2018: Profit of \$123,669).

SIGNIFICANT CHANGES IN NATURE OF PRINCIPAL ACTIVITIES S254(2)(A)

There were no significant changes in the nature of the Branch's principal activities during the financial period, except that on 31 December 2018, the Branch was disbanded and its net assets transferred to CCF for no consideration in accordance with the approval of members and the Fair Work Commission.

SIGNIFICANT CHANGES IN FEDERATION'S FINANCIAL AFFAIRS S254(2)(B)

Refer to Note 1 'Disbandment of Branch' relating to circumstances during the period which significantly affect the financial affairs of the Branch.

**Operating Report
for the Period Ended 31 December 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 OF OFFICIER 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.

NUMBER OF MEMBERS RO reg 159(a)

The number of persons who, at the end of the period (prior to disbandment), were recorded on the register of members was: 194 associate members, 45 associate stakeholders (also known as affiliates), 4 life members, 238 full members and retired members of 40, total of 521 members. (30 June 2018: 200 associate members, 46 associate stakeholders, 4 life members and 237 full members and retired members of 40, total of 527 members.

NUMBER OF EMPLOYEES RO reg 159(b)

The number of persons who were, at the end of the period (prior to disbandment), employees of the SA Branch of the Branch of the Federation was: 35 (30 June 2018: 33).

SA BRANCH BOARD MEMBERS RO reg 159(c)

The persons who held office as members of the Board of the SA Branch during the period until its disbandment were:

Name	Title	Period Of Office
Paul Davison	Branch President	1-7-18 to 31-12-18
Charles Hatcher	Branch Vice President	1-7-18 to 6-8-18
Charles Hatcher	Branch Vice President	8-10-18 to 31-12-18
Michael Jeffery	Branch Honorary Treasurer	1-7-18 to 31-12-18
SA Board Members		
Gerard Beltrame	Branch Board Member & National Board Member	1-7-18 – 31-12-18
Emma Ebert	Branch Board Member	1-7-18 to 31-12-18
Chris Goold	Branch Board Member	1-7-18 to 31-12-18
Mike Forster	Branch Board Member	1-7-18 to 31-12-18
Michael Harper	Branch Board Member	1-7-18 to 31-12-18
Ben Lewis	Branch Board Member	1-7-18 to 31-12-18
John McMichael	Branch Board Member	8-10-18 to 31-12-18
Nick Anderson	Associate Member Rep (Observer)	1-7-18 to 31-12-18
Peter Tan	Associate Member Rep (Observer)	1-7-18 to 31-12-18

Following disbandment, the responsibility for presentation and approval of the financial report of the SA Branch rested with the National Board of CCF.

**Operating Report
for the Period Ended 31 December 2018**

Manner of resignation

Members could 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 sub-rule (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: Michael Unger, National President

Dated: 7th May 2019

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

We declare that, to the best of our knowledge and belief, during the period ended 31 December 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 7th May 2019

**Expenditure Report
for the Period Ended 31 December 2018**

The National Board of CCF presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the period ended 31 December 2018.

Note	1 July 2018 - 31 December 2018	1 July 2017 - 30 June 2018
	\$	\$
CATEGORIES OF EXPENDITURE		
Remuneration and other employment-related costs and expenses - employees	1,523,880	3,117,621
Advertising	46,980	55,286
Operating Costs	1,333,235	2,687,756
Donations to Political Parties	-	-
Legal Costs	8,645	12,905
Total	2,912,740	5,873,568

Signature of designated officer:



Name and title of designated officer: Michael Unger, National President

Dated: 7th May 2019

**Statement of Profit or Loss and Comprehensive Income
for the Period Ended 31 December 2018**

	Note	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
Trading Revenue	3	2,644,095	5,890,266
Other Income	3	50,617	106,971
Employee benefits	4a	(1,523,880)	(3,117,621)
Depreciation, amortisation and impairment	4b	(189,103)	(374,235)
Advertising		(46,980)	(55,286)
Employer costs		(79,337)	(170,599)
Finance costs		(11,802)	(21,541)
Functions, seminars and conference costs		(75,267)	(336,917)
National levy	4c	(67,587)	(104,500)
Motor vehicle expenses		(24,874)	(49,705)
Repairs and maintenance		(200,310)	(227,113)
Printing and stationery		(37,530)	(106,389)
Training materials and equipment		(274,022)	(429,005)
Other expenses	4d	(382,048)	(880,657)
(Loss) / Profit for the period		(218,028)	123,669
Significant Item of Expense		(7,597,557)	-
(Loss) / Profit from ordinary activities after Significant Item of Expense		(7,815,585)	123,669
Income tax expense		-	-
Other Comprehensive Income		-	-
Total Comprehensive Income		(7,815,585)	123,669

The accompanying notes form part of the financial statements

**Statement of Financial Position
as at 31 December 2018**

	Note	31 December 2018 \$	30 June 2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	-	1,003,974
Trade and other receivables	6	-	1,309,513
Other current assets	7	-	188,365
TOTAL CURRENT ASSETS		-	2,501,852
NON-CURRENT ASSETS			
Property, plant and equipment	8	-	7,187,651
TOTAL NON-CURRENT ASSETS		-	7,187,651
TOTAL ASSETS		-	9,689,503
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	-	1,292,863
Borrowings	10	-	290,561
Short term provisions	11	-	183,932
TOTAL CURRENT LIABILITIES		-	1,767,356
NON-CURRENT LIABILITIES			
Long-term provisions	11	-	106,562
TOTAL NON-CURRENT LIABILITIES		-	106,562
TOTAL LIABILITIES		-	1,873,918
NET ASSETS		-	7,815,585
EQUITY			
Retained earnings		-	7,815,585
TOTAL EQUITY		-	7,815,585

The accompanying notes form part of these financial statements

**Statement of Changes in Equity
for the Period Ended 31 December 2018**

	31 December 2018	30 June 2018
	\$	\$
Balance at beginning of financial year	7,815,585	7,691,916
(Loss) / Surplus attributable to members	(7,815,585)	123,669
Balance at end of financial year	-	7,815,585

**Statement of Cash Flow
for the Period ended 31 December 2018**

	Note	31 December 2018 \$	30 June 2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and other customers		3,564,497	6,002,395
Payments to suppliers and employees		(2,927,697)	(5,396,662)
Interest received		1,217	1,850
Interest paid		(11,802)	(21,541)
Receipts from Related Parties	17 (f)	2,181	13,955
Payments to Related Parties	17 (f)	(81,656)	(139,124)
Net cash provided by operating activities	13 (b)	546,740	460,873
CASH FLOWS FROM INVESTING ACTIVITIES			
Net from sale of property, plant and equipment		-	17,579
Purchase of property, plant and equipment		(41,013)	(103,248)
Net cash provided by (used in) investing activities		(41,013)	(85,669)
Net increase (decreases) in cash held		505,727	375,204
Cash at beginning of financial year		1,003,974	628,770
Transfer of cash to CCF on disbandment of Branch		(1,509,701)	-
Cash at end of financial year	13 (a)	-	1,003,974

The accompanying notes form part of these financial statements

Notes to the Financial Statements for the Period ended 31 December 2018

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 (SA Branch) is a 'not for profit' entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost. 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. Given the disbandment of the Branch effective at 31 December, 2018 – refer the note below, the financial statements have not been prepared on a going concern basis, all assets and liabilities having been transferred to Civil Contractors Federation on that date. Rather, the financial report and in particular the assets and liabilities of the branch, prior transfer, were measured on a "liquidation" basis which reflected their recoverable values and expected settlement amounts as at the date of transfer.

The financial statements are presented in Australian dollars.

The financial report covers Civil Contractors Federation (SA Branch) as an Individual entity. Civil Contractors Federation (SA Branch) was a Federation incorporated in South Australia under the Fair Work (Registered Organisations) Act 2009 until the date of disbandment referred to above.

Disbandment of Branch

In accordance with a resolution made by the National Board of CCF on 16 November, 2018, with effect from 31 December, 2018, CCF adopted a new constitution and rules which were certified by the Fair Work Commission. It was also resolved that effective as at 31 December, 2018, all assets, liabilities and undertakings of the branch be transferred for \$nil consideration to CCF at which point in time, the branch would be disbanded. Set out below is a summary of the assets, liabilities and undertakings transferred by the branch to CCF as at 31 December, 2018:

	\$
Cash	1,509,701
Trade Receivable	456,330
Land & Buildings	6,829,756
Plant & Equipment	209,804
Other Assets	127,618
Borrowings	(290,561)
Trade and Other Payables	(911,730)
Employee Entitlements	(333,361)
Net Assets	7,597,557

On the basis that \$nil consideration was received for this transfer, an amount of \$7.598 million has been reported as a "Significant Item of Expense" in the Statement of Profit/Loss and Other Comprehensive Income.

As set out in the bases of accounting note, the Branch will no longer operate and hence is not a going concern as at the date of this financial report.

Prior Year Comparatives

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

**Notes to the Financial Statements
for the Period ended 31 December 2018 (cont'd)**

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

Accounting Policies

a. Income Tax

The Federation is registered under the Fair Work (Registered Organisations) Act 2009 and, is believed to have been 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 included 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. Property, Plant and Equipment

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

Cost and valuation

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

The carrying amount of plant and equipment were reviewed at each reporting date by the Board to ensure they were not in excess of the recoverable amount of those assets. The recoverable amount was 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 were measured at the lower of cost and fair value.

Depreciation

The depreciable amounts of plant and equipment were depreciated using the straight line method at rates based on their estimated useful lives commencing from the time the asset is held ready for use.

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

	31 December 2018	30 June 2018
Office Plant and Equipment	10%-33%	10%-33%
Buildings (straight line)	2.5%-20%	2.5%-10%
Other	10%-30%	10%-30%

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

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

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

**Notes to the Financial Statements
for the Period ended 31 December 2018 (cont'd)**

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

d. Trade and other Receivables

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

The collectability of debts has been reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivable was 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 was recognised in the income statement as an expense.

e. Trade and other Payables

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

f. Financial Instruments

Financial instruments were 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 have been recognised in the Statement of Profit and Loss.

g. Employee Benefits

Short-term employee benefits

Provision has been 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 have been 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 have been recognised as part of current trade and other payables in the statement of financial position.

Long-term employee benefits

Provision was 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. Other long-term employee benefits were 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 other long-term employee benefits were recognised in profit or loss in the periods in which the changes occur.

**Notes to the Financial Statements
for the Period ended 31 December 2018 (cont'd)**

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

g. Employee Benefits (cont'd)

The Branch's obligations for long-term employee benefits were presented as non-current provisions in its statement of financial position, except where the Branch did 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 were presented as current provisions.

No provision has been 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 were 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.

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, were transferred to the Branch were classified as finance leases.

Finance leases were 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 were depreciated on a straight line basis over their estimated useful lives where it is likely that the Branch would obtain ownership of the asset over the term of the lease. Lease payments were 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, were charged as expenses in the periods in which they were incurred.

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

i. Goods and Services Tax (GST)

Revenues, expenses and assets have been 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 has been recognised as part of the cost of acquisition of the asset or as part of an item of expense, and 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 & Other income

The Branch recognised 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 SA Branch's activities as discussed below:

**Notes to the Financial Statements
for the Period ended 31 December 2018 (cont'd)**

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

j. Revenue & Other income (cont'd)

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue for 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 is recognised in proportion to the stage of completion of the contract.

Interest revenue

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

Grant revenue

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.

k. 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 South Australia. Its role is to represent and promote the Civil Contracting Industry including the provision of technical and other information, the conduct of events and activities and in the provision of training services to members and the general public. The Branch represents parties at all levels of Government and advocates for a regulatory and taxation environment that is supportive of the civil construction industry.

l. Fair Value of Assets and Liabilities

The Branch measured 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 were 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).

**Notes to the Financial Statements
for the Period ended 31 December 2018 (cont'd)**

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

I. Fair Value of Assets and Liabilities (cont'd)

For non-financial assets, the fair value measurement also took 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 have been 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 was not available, other valuation techniques were adopted and, where significant, detailed in the respective note to the financial statement.

m. Capitation Fees

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

n. Critical Accounting Estimates and Judgements

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 period ended 31 December 2018, except as stated in this report.

Key Judgements - Doubtful Debts Provision

The Committee of Management have assessed each debtor and have estimated a provision for doubtful debts amounting to \$19,597 at 31 December 2018 (prior to disbandment) (30 June 2018: \$34,294). The Committee of Management believes that the full amount of the remaining debtors is recoverable.

o. Branch Relationship with the Civil Contractors Federation

This Branch, while autonomous in relation to most of its day to day operations, is not considered to be a separate entity by law from the Civil Contractors Federation.

The ownership of Branch assets and responsibility for Federation liabilities are believed to ultimately rest with the Civil Contractors Branch. It is therefore possible that Federation assets may be appropriated by the Civil Contractors Branch to meet its obligations.

p. New Accounting Standards for Application in Future Periods

The AASB issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which would have been relevant to the entity. The Committee of Management and CCF Board decided not to early adopt any of the new and amended pronouncements as at the date of disbandment.

**Notes to the Financial Statements
for the Period ended 31 December 2018 (cont'd)**

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

q. Provisions

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

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

r. 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 sub-section (1), (2) and (3) of Section 272 which reads as follows: -

1. A Member of an organisation, or the Commissioner, Registered Organisations Commission, may apply to the organisation for specified prescribed information in relation to the organisation 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 organisation.
3. An organisation must comply with an application made under subsection (1)

s. Going Concern

Given the disbandment of the branch effective at 31 December 2018, the financial statements have not been prepared on a going concern basis, all assets and liabilities having been transferred to Civil Contractors Federation on that date. Rather, the financial report and in particular the assets and liabilities of the branch, prior transfer, were measured on a "liquidation" basis which reflected their recoverable values and expected settlement amounts as at the date of transfer.

The Branch has not been reliant on any agreed financial support to continue as a going concern, nor has it agreed to provide such support to ensure other branches operated as a going concern.

2. FUND ANALYSIS

For the financial period ended 31 December 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; and
- there is no balance within the general fund.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 3: REVENUE AND OTHER INCOME		
Operating revenue:		
Qualifications	689,947	1,908,423
Short Courses	1,469,063	2,684,552
Member Subscriptions	349,151	632,832
Function and Sponsorship Income	88,152	362,479
Production Income	-	-
Publication Income	8,594	26,257
Advertising Income	16,562	41,319
Grants Received	7,636	194,362
Other	14,990	40,042
Capitation Fees	-	-
Compulsory Levy & Voluntary Levy (Other Bodies)	-	-
Affiliation Fees	-	-
Donations > \$1,000	-	-
Donations < \$1,000	-	-
Financial Support - Branches	-	-
Other Revenue Derived from Undertaking Recovery of Wage Activity	-	-
	<u>2,664,095</u>	<u>5,890,266</u>
Other Income		
Interest received	1,217	1,850
Lease income	29,782	59,248
Profit on Disposal of Assets	909	1,654
Sundry	18,709	44,219
	<u>50,617</u>	<u>106,971</u>
Total Revenue	<u>2,694,712</u>	<u>5,997,237</u>
NOTE 4: PROFIT FROM ORDINARY ACTIVITIES		
The operating profit of the Branch before income tax expense has been determined after:		
a. Employee Benefits		
Wages & Salaries	1,357,250	2,819,641
Separation and Redundancy	-	-
Superannuation	124,346	240,553
Annual leave and long service leave	42,284	57,427
	<u>1,523,880</u>	<u>3,117,621</u>
b. Depreciation and Amortisation		
Plant and equipment	189,103	374,235
	<u>189,103</u>	<u>374,235</u>

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
c. Levy		
National office levy	67,587	104,500
	<u>67,587</u>	<u>104,500</u>
<p>The levy is imposed by the CCF National Office to assist in funding the National Office operations. No other levies (compulsory) are paid or payable.</p>		
d. Other expenses		
Accounting fees	1,000	500
ASQA	-	10,996
Auditor's Remuneration – Financial Statements Audit (Other Service: \$nil (30 June 2018: \$nil))	6,000	10,000
	<u>7,000</u>	<u>21,496</u>
Affiliation Fees	-	-
Attendance Allowance / Fee	-	-
Bad debts	6,000	14,105
Bank charges	6,315	12,924
Board / Committee meeting expenses	1,860	4,268
Consultancy fees	49,136	90,551
Donations < \$1,000	-	-
Donations > \$1,000	-	-
Employer Payroll Deduction Costs	-	-
Forgiveness of Loans	-	-
Grants < \$1,000	-	-
Grants > \$1,000	-	-
Holding meetings costs	-	-
Insurance	55,772	110,775
Leasing Costs	37,892	78,443
Legal Costs – Litigation	-	-
Legal Costs – Other Matters	8,645	12,905
Licence fee and membership	5,376	10,182
Office rent and outgoings	39,344	85,124
Other Capitation Fees / Compulsory Levies	-	-
Production and distribution	22,395	62,023
RO Act Penalties	-	-
Sponsorship	3,500	3,095
Subscriptions	2,210	4,275
Travel	43,045	43,449
Utilities	28,417	71,431
Other general expenses	65,141	255,611
	<u>382,048</u>	<u>880,657</u>

e. Expenses – Financial Affairs Administered by Other Entities

For the financial period ended 31 December 2018, there was \$nil incurred for any financial affairs administered by other entities (30 June 2018: \$nil).

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 6: TRADE AND OTHER RECEIVABLES (cont'd)

(b) Credit risk – Trade and Other Receivables

The Branch has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specially provided for and mentioned within Note 6. The main source of credit risk to the Branch is considered to relate to the class of assets described as trade and other receivables.

The following table details the Branch's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Branch and other customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Branch. The balances of receivables that remain within trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross Amount \$	Past due and impaired \$	31-60 \$	61-90 \$	>90 \$	Within initial trade terms \$
31 December 2018						
Trade & term receivables	-	-	-	-	-	-
30 June 2018						
Trade & term receivables	1,343,807	34,294	157,879	47,842	87,522	1,016,270

The Branch does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

(c) Collateral held as security

The Branch does not hold any collateral over any receivables balances

(d) Financial assets classified as loans and receivables

	31 December 2018 \$	30 June 2018 \$
Trade and other receivables (Gross)	-	1,343,807
	-	1,343,807

NOTE 7: OTHER ASSETS

CURRENT

Prepayments	-	31,662
Accrued income and other assets	-	156,703
	-	188,365

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018	30 June 2018
	\$	\$
NOTE 8: PROPERTY, PLANT AND EQUIPMENT (cont'd)		
Freehold land		
At cost	-	2,075,000
	-	2,075,000
Buildings		
At Cost	-	6,780,726
Accumulated depreciation	-	(1,885,059)
	-	4,895,667
Course Materials		
At Cost	-	21,175
Accumulated depreciation	-	(20,711)
	-	464
Plant and equipment		
At cost	-	4,666,670
Accumulated depreciation	-	(4,545,759)
	-	120,911
Furniture, fixture and fittings		
At cost	-	584,572
Accumulated depreciation	-	(501,044)
	-	83,528
Website development		
At cost	-	32,065
Accumulated depreciation	-	(20,021)
	-	12,044
Other		
At cost	-	47,688
Accumulated depreciation	-	(47,651)
	-	37
TOTAL PROPERTY, PLANT AND EQUIPMENT	-	7,187,651

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 8: PROPERTY, PLANT AND EQUIPMENT (cont'd)

(a) Movements in Carrying Amounts

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

	Land \$	Buildings \$	Plant & Equipment \$	Furniture, Fixtures & Fittings \$	Course Materials \$	Other Property Plant & Equip't \$	Website \$	Total \$
Balance at the beginning of year	2,075,000	4,895,667	120,911	83,528	464	37	12,044	7,187,651
Additions	-	52	22,933	18,028	-	-	-	41,013
Disposals	-	-	-	-	-	-	-	-
Depreciation expense	-	(140,962)	(23,977)	(20,694)	(237)	-	(3,233)	(189,103)
Transfer to CCF	(2,075,000)	(4,754,757)	(119,867)	(80,862)	(227)	(37)	(8,811)	7,039,561
Balance at 31 December 2018	-	-	-	-	-	-	-	-
Balance at the beginning of year	2,075,000	5,170,214	120,819	73,583	3,987	44	18,415	7,462,062
Additions	-	4,876	48,756	49,327	-	289	-	103,248
Disposals	-	-	(3,417)	-	-	(7)	-	(3,424)
Depreciation expense	-	(279,423)	(45,247)	(39,382)	(3,523)	(289)	(6,371)	(374,235)
Balance at 30 June 2018	2,075,000	4,895,667	120,911	83,528	464	37	12,044	7,187,651

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

Note	31 December 2018 \$	30 June 2018 \$
NOTE 9: TRADE AND OTHER PAYABLE		
CURRENT		
Trade payables	-	104,729
Amounts received in advance	-	925,581
Sundry payables and accrued expenses	-	262,553
	-	<u>1,292,863</u>
 (a) Financial liabilities at amortised cost classified as trade and other payables		
Trade and other payables		
- Total Current	-	1,292,863
Less:		
Amounts received in advance	-	(925,581)
Financial liabilities as trade and other payables	-	<u>367,282</u>
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.		

NOTE 10: BORROWINGS

Current

Bank loans	-	290,561
	-	<u>290,561</u>

(a) Bank and Mortgage Loans

The Branch had a \$1 million (30 June 2018: \$1 million) overdraft facility with Commonwealth Bank of Australia which is subject to annual review and is a variable interest rate facility prior to disbandment of branch. It also had an \$80,000 (30 June 2018: \$80,000) Business Card facility prior to disbandment. The property situated at Thebarton had been provided as security to the Commonwealth Bank for the provision of the facilities. There are no unsatisfied covenants within the bank borrowings.

	31 December 2018 \$	30 June 2018 \$
NOTE 11: PROVISIONS		
Current		
Annual Leave	-	116,440
Long Service Leave	-	67,492
	-	<u>183,932</u>
Non-Current		
Long Service Leave	-	106,562
	-	<u>106,562</u>
Number of employees at year-end (prior to disbandment)	35	33

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 11: PROVISIONS (cont'd)

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

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	31/12/18	30/06/18	31/12/18	30/06/18	31/12/18	30/06/18
	\$	\$	\$	\$	\$	\$
Officeholders	-	-	-	-	-	-
Other Staff	-	116,440	-	174,054	-	290,494
Total	-	116,440	-	174,054	-	290,494

	Separation and Redundancy Provisions		Other Employee Provisions		Total	
	31/12/18	30/06/18	31/12/18	30/06/18	31/12/18	30/06/18
	\$	\$	\$	\$	\$	\$
Officeholders	-	-	-	-	-	-
Other Staff	-	-	-	-	-	-
Total	-	-	-	-	-	-

There are no bonuses for separation and redundancy or other provisions for officeholders or other employees at 31 December 2018 (30 June 2018: \$nil).

Provision for Employee Benefits

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

The current portion for this provision included 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 did 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 were classified as current liabilities since the Branch did 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 included 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

Employee benefits paid/accrued during the year	Elected Officials (Office holders)		Employees (other than Elected Officials)		Total	
	31/12/2018	30/06/2018	31/12/2018	30/06/2018	31/12/2018	30/06/2018
	\$	\$	\$	\$	\$	\$
Wages and Salaries	-	-	1,357,250	2,819,641	1,357,250	2,819,641
Annual Leave and Long Service Leave	-	-	42,284	57,427	42,284	57,427
Other Employee Expenses	-	-	-	-	-	-
Redundancy Payments	-	-	-	-	-	-
Superannuation	-	-	124,346	240,553	124,346	240,553
Total	-	-	1,523,880	3,117,621	1,523,880	3,117,621

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 13: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash on hand	-	2,000
Operating accounts	-	799,113
Saving accounts	-	202,861
	-	<u>1,003,974</u>
b. Reconciliation of Cash Flow from Operations with Profit after Income Tax.		
Operating (loss) / profit after income tax	(7,815,585)	123,669
Non-cash flows in profit/(loss) from ordinary activities		
Depreciation and amortisation	189,103	374,235
Net (gain)/loss on disposal of property, plant and equipment	-	(14,155)
Add back: Loss on write-down of investments	-	12,500
Loss on transfer of Net Assets to CCF	7,597,557	-
Changes in operating assets and liabilities		
(Increase)/decrease in trade and term receivables	853,183	20,963
(Increase)/decrease in other assets	60,747	46,968
Increase/(decrease) in trade payables and accruals	(381,133)	(160,630)
Increase/(decrease) in provisions	42,868	57,323
Net cash provided by operating activities	<u>546,740</u>	<u>460,873</u>
c. Cash Transfer		

At disbandment date, the fair value of net assets transferred to CCF for \$nil consideration amounted to \$7.598 million (refer Note 1). Cash of \$1,509,701 was transferred to CCF as part of this transaction (refer also Note 1).

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 14: FINANCIAL RISK MANAGEMENT

Specific Financial Risk Exposures and Management

The main risks Civil Contractors Branch SA Branch is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

The Branch's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, bank loans and overdrafts. The Branch does not have any derivative instruments at 30 June 2018.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	31 December 2018 \$	30 June 2018 \$
Financial Assets		
Cash and cash equivalents	-	1,003,974
Trade and other receivables	-	1,309,513
Total financial assets	-	2,313,487
Financial Liabilities		
Financial liabilities at amortised costs		
- Trade and other payables	-	367,281
- Borrowings	-	290,561
Total financial liabilities	-	657,842

Financial risk management policies

The Branch's Committee of Management (Board) has overall responsibility for the establishment of Civil Contractors Branch SA Branch's financial risk management framework. The board meets regularly and review risk and evaluates risk management strategies in the context of the most recent economic conditions and forecasts.

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 Committee 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.

**Notes to the Financial Statements
for the Period ended 31 December 2018 (cont'd)**

NOTE 14: FINANCIAL RISK MANAGEMENT (cont'd)

(a) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period, whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Branch is also exposed to earnings volatility on floating rate instruments.

At 31 December 2018, 100% of Civil Contractors Branch SA Branch debt is floating rate.

(b) Liquidity risk

Liquidity risk arises from the possibility that Civil Contractors Branch SA Branch might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Branch manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities which are monitored on a monthly basis;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Typically, Civil Contractors Branch SA Branch ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 90 days.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Financial guarantee liabilities are treated as payable on demand since Civil Contractors Branch SA Branch has no control over the timing of any potential settlement of the liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

Financial liability maturity analysis – Non-derivative

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	31/12/2018	30/6/2018	31/12/2018	30/6/2018	31/12/2018	30/6/2018	31/12/2018	30/6/2018
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Bank overdrafts and loans	-	290,561	-	-	-	-	-	290,561
Trade and other payables (excluding estimated annual leave)	-	367,281	-	-	-	-	-	367,281
Total contractual outflows	-	657,842	-	-	-	-	-	657,842

**Notes to the Financial Statements
for the Period ended 31 December 2018 (cont'd)**

NOTE 14: FINANCIAL RISK MANAGEMENT (cont'd)

(b) Liquidity risk (cont'd)

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	31/12/2018	30/6/2018	31/12/2018	30/6/2018	31/12/2018	30/6/2018	31/12/2018	30/6/2018
	\$	\$	\$	\$	\$	\$	\$	\$
Financial assets – cash flows realisable								
Cash and cash equivalents	-	1,003,974	-	-	-	-	-	1,003,974
Trade, term and loans receivable	-	1,309,513	-	-	-	-	-	1,309,513
Total inflows	-	2,313,487	-	-	-	-	-	2,313,487

Financial assets pledged as collateral

Certain financial assets have been pledged as security for debt and their realisation into cash may be restricted subject to terms and conditions attached to the relevant debt contracts.

(c) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to Civil Contractors Branch SA Branch and arises principally from Civil Contractors Branch SA Branch's receivables.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Collateral held by Civil Contractors Branch SA Branch securing receivable are detailed in Note 6(c).

The Branch has no significant concentration of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 6.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 6.

Notes to the Financial Statements for the Period ended 31 December 2018 (cont'd)

NOTE 14: FINANCIAL RISK MANAGEMENT (cont'd)

(d) Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

	31 December 2018		30 June 2018	
	Net Carrying Value \$	Net Fair Value \$	Net Carrying Value \$	Net Fair Value \$
Financial assets				
Cash and cash equivalents	-	-	1,003,974	1,003,974
Trade and other receivables	-	-	1,309,513	1,309,513
Total financial assets	-	-	2,313,487	2,313,487
Financial liabilities				
Trade and other payables	-	-	367,281	367,281
Bank debt	-	-	290,561	290,561
Total financial liabilities	-	-	657,842	657,842

(e) Interest rate risk sensitivity analysis

As 31 December 2018, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	31 December 2018 \$	30 June 2018 \$
Change in Profit		
- Increase in interest rate by 2% (30 June 2018: 2.0%)	-	14,268
- Decrease in interest rate by 0.5% (30 June 2018: 0.5%)	-	(3,567)
Change in Equity		
- Increase in interest rate by 2% (30 June 2018: 2.0%)	-	14,268
- Decrease in interest rate by 0.5% (30 June 2018: 0.5%)	-	(3,567)

**Notes to the Financial Statements
for the Period ended 31 December 2018 (cont'd)**

NOTE 15: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

NOTE 16: CAPITAL AND LEASING COMMITMENTS

(a) CAPITAL COMMITMENTS

At 31 December 2018, the Branch has no capital commitments.

(b) Operating Lease Commitments – as lessee

	31 December 2018 \$	30 June 2018 \$
*Future minimum rentals payable under non-cancellable operating leases payable in respect of motor vehicles and equipment at 31 December are:		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
- Within one year	-	69,825
- After one year but not more than five years	-	96,558
- More than five years	-	-
	-	166,383

(c) Rental Lease Commitments – as lessee

*Future minimum rentals payable under non-cancellable operating leases payable in respect of rental lease at Alice Springs Office at 31 December are:

Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
- Within one year	-	28,255
- After one year but not more than five years	-	-
- More than five years	-	-
	-	28,255

Operating Lease Commitments – as lessor

*Future minimum rentals receivable under non-cancellable rental of premises leases at 31 December are:

Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
- Within one year	-	47,220
- After one year but not more than five years	-	109,318
- More than five years	-	-
	-	156,538

a. Operating and Equipment Leases

*Given the disbandment of the Branch, new lease agreements will be signed and will be payable/receivable by the Civil Contractors Federation South Australia Ltd.

**Notes to the Financial Statements
for the Period ended 31 December 2018 (cont'd)**

NOTE 17: RELATED PARTY TRANSACTIONS

a. SA Branch Board members

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

Paul Davison, Charles Hatcher, Michael Jeffery, Gerard Beltrame, Emma Ebert, Chris Goold, Mike Forster, Michael Harper, Ben Lewis, John McMichael, Nick Anderson and Peter Tan.

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

The officeholders received no 'non cash' benefits (30 June 2018: \$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

Any person(s) having delegated authority and responsibility for planning, directing and controlling the activities of the Branch, directly or indirectly, including any committee member is considered key management personnel.

Designation	Name	Period in Office
Chief Executive Officer	Phillip Sutherland	1-7-2018 to 31-12-2018
Director – Global Learning and Future Directions	Victoria Griffith	1-7-2018 to 31-12-2018
Director of Finance	George Tsiakiridis	1-7-2018 to 31-12-2018

**Notes to the Financial Statements
for the Period ended 31 December 2018 (cont'd)**

NOTE 17: RELATED PARTY TRANSACTIONS (cont'd)

	31 December 2018			30 June 2018		
	\$			\$		
c. Key Management Personnel Remuneration	Short Term Benefits	Post Employment Benefits	Total	Short Term Benefits	Post Employment Benefits	Total
	\$	\$	\$	\$	\$	\$
Total Compensation	262,382	24,864	287,246	416,855	39,567	456,422

	31 December 2018			30 June 2018		
	\$			\$		
d. Annual Leave and Long Service Leave Accrued for Key Management Personnel End of the Year	Annual Leave	Long Service Leave	Total	Annual Leave	Long Service Leave	Total
	\$	\$	\$	\$	\$	\$
Total Leave Provision	-	-	-	17,591	42,755	60,346

No remuneration benefits were paid to officeholders during the year, nor are any entitlement provisions set aside for them at reporting date.

No termination benefits or share based payments were paid to officeholders during the year (30 June 2018: \$nil)

e. Other transactions with the Branch

Entities related to SA Branch Committee 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	31 December 2018	30 June 2018
	\$	\$
During the year, the SA Branch paid a National capitation levy calculated in accordance with the rules.	67,587	104,500

**Notes to the Financial Statements
for the Period ended 31 December 2018 (cont'd)**

NOTE 17: RELATED PARTY TRANSACTIONS (cont'd)

f. Related Party balances at year end

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

Unsecured and interest free amounts receivable/(payable) at reporting date	31 December 2018	30 June 2018
	\$	\$
Victoria Branch	-	1,550
Tasmania Branch	-	991
National Office	-	7,568
North Territory Branch	-	-
Western Australia Branch	-	-
Paluszek Enterprises	-	505
	-	10,614

Reconciliation – related entity loans

Victoria Branch

Carrying amount at beginning of the year	1,550	1,827
Sundry income	-	5,775
Sundry charges	(1,331)	(9,105)
Receipts	(1,550)	(6,200)
Payment made	1,331	9,253
Transfer to CCF	-	-
Carrying amount at end of the year	-	1,550

Tasmania Branch

Carrying amount at beginning of the year	991	819
Sundry income	1,090	2,528
Sundry charges	-	-
Receipts	-	(2,356)
Payment made	-	-
Transfer to CCF	(2,081)	-
Carrying amount at end of the year	-	991

National Office

Carrying amount at beginning of the year	7,568	(8,813)
Sundry income	238	14,559
Levy charge	(67,587)	(104,500)
Sundry charges	-	(5,523)
Receipts	(631)	(2,905)
Payment made	67,587	114,750
Transfer to CCF	(7,175)	-
Carrying amount at end of the year	-	7,568

**Notes to the Financial Statements
for the Period ended 31 December 2018 (cont'd)**

NOTE 17: RELATED PARTY TRANSACTIONS (cont'd)

f. Related Party balances at year end

	31 December 2018	30 June 2018
	\$	\$
Northern Territory Branch		
Carrying amount at beginning of the year	-	1,201
Sundry income	-	-
Sundry charges	(8,251)	(14,322)
Receipts	-	(2,000)
Payment made	6,645	15,121
Transfer to CCF	1,606	-
Carrying amount at end of the year	<u>-</u>	<u>-</u>
Western Australia Branch		
Carrying amount at beginning of the year	-	-
Sundry income	14,269	-
Sundry charges	(6,093)	-
Receipts	-	-
Payment made	6,093	-
Transfer to CCF	(14,269)	-
Carrying amount at end of the year	<u>-</u>	<u>-</u>
*Paluszek Enterprises		
Carrying amount at beginning of the year		494
Sales income		505
Purchases made		-
Receipts		(494)
Payment made		-
Carrying amount at end of the year		<u>505</u>

*In the 2018 financial year, T Paluszek had a financial interest in Paluszek Enterprises. As of September 2017, T Paluzek resigned as board member of CCF SA and as a result note that reporting of related party transactions is no longer required.

There is no provision for doubtful debts in respect of the related party balances listed above (30 June 2018: \$nil).

The sales to and purchases from related parties were made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at 31 December 2018 were unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 31 December 2018, the Civil Contractors Federation (SA Branch) has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (30 June 2018: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

No payments to a former related party of the Branch occurred for the period to 31 December 2018.

**Notes to the Financial Statements
for the Period ended 31 December 2018 (cont'd)**

NOTE 18: 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 by the Branch 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.

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.

Notes to the Financial Statements for the Period ended 31 December 2018 (cont'd)

NOTE 18: FAIR VALUE MEASUREMENT (cont'd)

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.

	31 December 2018			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Available for sale financial assets	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

	30 June 2018			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Available for sale financial assets	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	6,970,667	-	6,970,667
Total non-financial assets recognised at fair value	-	6,970,667	-	6,970,667

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

Description	Fair Value at 31 December 2018 \$	Valuation Technique(s)	Inputs Used
<i>Financial assets</i>			
Available for sale financial asset	-	Market approach: valuation techniques that reflect prices and other relevant information generated by market transactions for identical or similar assets	Price per share, market borrowing rate
<i>Non-financial assets</i>			
Financial assets at fair value through profit or loss:	-	Market approach: Using recent observable market data on discounted cashflows	Price per square metre, market borrowing rate
	-		

**Notes to the Financial Statements
for the Period ended 31 December 2018 (cont'd)**

NOTE 18: FAIR VALUE MEASUREMENT (cont'd)

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; and
- accounts payable and other payables.

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
Description	Fair Value at Hierarchy Level	Valuation Technique(s)	Inputs Used
<i>Liabilities</i>			
Accounts payable and other payables	3	Income approach using discounted cash flow methodology	Market interest rates for similar assets

NOTE 19: 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 20: OTHER DISCLOSURES

The Branch did not receive financial support from any other reporting unit during the year, nor provide any to other reporting units. 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 payments to employers as consideration for employers making payroll deductions for membership subscriptions at reporting date.

At 31 December 2018 (prior to disbandment), there was \$3,308 payable in respect of legal costs – relating to ‘other matters’ and \$nil payable relating to legal litigation (30 June 2018: \$3,125 - relating to ‘other matters’, \$nil payable relating to litigation). No payable exists at reporting date in respect of consideration for payroll deductions of membership subscriptions (30 June 2018: \$nil).

**Notes to the Financial Statements
for the Period ended 31 December 2018 (cont'd)**

NOTE 21: OTHER ACTIVITIES

The Branch did not acquire an asset or liability during the financial period due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, and/or a determination or revocation by the General Manager, Fair Work Commission.

NOTE 22: ASSOCIATION DETAILS

The registered office and principal place of business of the Branch is:

Civil Contractors Branch SA Branch
1 South Road
THEBARTON SA 5031

The principal segment is member services within South Australia, Australia.

The entity is domiciled in Australia.

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

To the Members of Civil Contractors Federation – SA Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Civil Contractors Federation (SA Branch), which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period ended 31 December 2018, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement and the subsection 255(2A) report.

In our opinion, paying due regard to the matter set out in the 'Going Concern Basis' paragraph below, the accompanying financial report presents fairly, in all material aspects, the financial position of Civil Contractors Federation (SA Branch) as at 31 December 2018, and its financial performance and its cash flows for the period 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 liquidation basis of accounting – refer further below, in the preparation of the financial statements of the SA Branch is appropriate.

Going Concern Basis

We draw attention to Note 1 in the financial report, which indicates that with effect from 31 December 2018, Civil Contractors Federation (SA Branch) was disbanded. This occurrence has precluded the SA Branch from operating as a 'going concern' at the end of the reporting period. The financial report has been henceforth been prepared on a 'liquidation' basis at reporting date, wherein the statement of financial position reflects the recoverable amounts of assets and estimated liability settlement amounts at that date. Our opinion is not modified in respect of this matter.

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 and the National Board of CCF are 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.

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

Information Other than the Financial Report and Auditor's Report Thereon (cont'd)

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.

Responsibilities of Committee of Management and CCF National Board for the Financial Report

The Committee of Management of SA Branch and the National Board of CCF were 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 they 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 and the National Board of CCF have been responsible for assessing SA Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and ultimately using the liquidation basis of accounting given SA Branch operations ceased on 31 December 2018.

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, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 and the National Board's use of the liquidation basis of accounting, based on the audit evidence obtained. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- 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.

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

Auditor's Responsibilities for the Audit of the Financial Report (cont'd)

- 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 SA audit. We remain solely responsible for our audit opinion.

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.

Stannards Accountants and Advisors



Michael B Shulman
Partner

Melbourne, VIC
Dated: 7th May 2019

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



**CIVIL CONTRACTORS
FEDERATION**

CIVIL CONTRACTORS FEDERATION

(TAS BRANCH)

ABN 64 619 501 898

**Financial Report
for the Period Ended
31 December 2018**

**CIVIL CONTRACTORS FEDERATION
(TAS BRANCH)**

ABN 64 619 501 898

**Financial Report
for the Period Ended
31 December 2018**

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**Operating Report
for the Period Ended 31 December 2018**

The National Board of Civil Contractors Federation (CCF) presents the operating report on Civil Contractors Tasmania Branch (CCF TAS) for the period ended 31 December 2018.

Principal Activities s254(2) (9a)

The principal activities of the Branch during the financial period were as follows:

The Federation operated predominantly in one business and geographical segment, being a representative body of civil construction and maintenance contractors in Tasmania, providing support to Members and the general public throughout Tasmania via professional services, information and advice in a wide range of business service areas.

These services included industrial relations advice, employment advice, dispute resolution, changes to Acts and Regulation, changes to awards and work practices.

As the peak employer representative body for the industry in Tasmania, the Federation represented the industry at all levels of Government and advocated relating to civil construction and maintenance and business trade, prior to disbandment on 31 December 2018 – refer further below.

Results of principal activities s254(2)(a)

The Branch's principal activities resulted in a trading profit of \$20,800 for the period ended 31 December 2018, before providing for a 'significant item of expense' of \$21,013 (refer below) relating to the disbandment of the Branch (30 June 2018 loss: \$15,042).

Advocacy and member services have again been a focus, as well as workplace training. Ongoing industrial advice has also been provided this period to the members (as in prior years).

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

There were no significant changes in the nature of the Branch's principal activities during the financial period, except that on 31 December 2018, the Branch was disbanded and its net assets transferred to CCF for no consideration in accordance with the approval of members and the Fair Work Commission.

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

Refer to Note 1 'Disbandment of Branch' relating to circumstances during the period which significantly affect the financial affairs of the Branch.

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 held 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.

Number of Members reg 159(a)

The number of persons who, at the end of the financial period were recorded on the Register of members was: 44 Members and 28 Associate Members. At the end of the previous financial year (2018) there were 49 Members and 25 Associate Members.

Number of Employees reg 159(b)

The number of persons who were, at the end of the period (i.e. immediately prior disbandment), full time employees of the TAS Branch of the Federation was 1 (30 June 2018: 1).

**Operating Report
for the Period Ended 31 December 2018**

TAS Branch Board Members reg 159(c)

The persons who held office as members of the Board of the TAS Branch until its disbandment were:

Name	Position	Period
Hugh Maslin	Branch President*	01/07/2018 to 31/12/2018
Stewart Geeves	Honorary Branch Treasurer*	01/07/2018 to 31/12/2018
Simon Heazlewood	<i>Branch Vice-President*</i>	01/07/2018 to 31/12/2018
Rob Batchelor	<i>Branch Board Member</i>	01/07/2018 to 31/12/2018
Camille O'Meara	<i>Branch Board Member</i>	01/07/2018 to 31/12/2018
Neil Armstrong	<i>Branch Board Member</i>	01/07/2018 to 31/12/2018
Jesse Brunskill	<i>Branch Board Member</i>	01/07/2018 to 31/12/2018
Adrian Granger	<i>Branch Board Member</i>	01/07/2018 to 31/12/2018
Ashley Cooper	<i>Branch Board Member</i>	20/08/2018 to 31/12/2018
Phil Sydney	<i>Branch Board Member</i>	20/08/2018 to 31/12/2018
Peter Campbell	<i>Branch Board Member</i>	20/08/2018 to 31/12/2018
Alistair McCulloch	<i>Branch Board Member</i>	20/08/2018 to 31/12/2018
Lincoln Bromwich	<i>Branch Board Member</i>	20/08/2018 to 31/12/2018
Stephen Pregnell	<i>Branch Board Member</i>	20/08/2018 to 31/12/2018
Naomi Walsh (resigned)	<i>Honorary Branch Treasurer</i>	01/07/2018 to 01/07/2018
Justin Woolford (resigned)	<i>Branch Board Member</i>	01/07/2018 to 23/08/2018

Following disbandment, the responsibilities for presentation and approval of the finance report of the TAS Branch rested with The National Board of CCF.

**Operating Report
for the Period Ended 31 December 2018**

Manner of resignation

Members could 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 sub-rule (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: Michael Unger, National President

Dated: 7th May 2019

**National Board Statement
for the Period Ended 31 December 2018**

On 7th May 2019 the Civil Contractors Federation National Board passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the period ended 31 December 2018:

The National Board 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 period to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit could pay its debts as and when they become due and payable prior to disbandment; and
- (e) during the period to which the GPFR relates:
 - (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.

This declaration is made in accordance with a resolution of the National Board of CCF.

Signature of designated officer:



Name and title of designated officer: Michael Unger, National President

Dated: 7th May 2019

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

We declare that, to the best of our knowledge and belief, during the period ended 31 December 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 7th May 2019

**Expenditure Report
For the Period ended 31 December 2018**

The National Board of CCF presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the period ended 31 December 2018.

	Note	31 December 2018 \$	30 June 2018 \$
CATEGORIES OF EXPENDITURE			
Remuneration and other employment-related costs and expenses - employees		59,583	65,046
Advertising		683	774
Operating Costs		118,918	167,193
Donations to Political Parties		-	-
Legal Costs		-	-
Total		179,184	233,013

Signature of designated officer:



Name and title of designated officer: Michael Unger, National President

Dated: 7th May 2019

**Statement of Profit or Loss
for the Period Ended 31 December 2018**

	Note	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
Revenue	3	199,984	217,971
TAS State Contribution		(9,211)	(16,500)
Employee Expenses	4e	(59,583)	(65,046)
CCF Cards / Other Training Costs		(6,247)	(5,820)
Functions and Activities		(68,810)	(61,462)
Travel and Accommodation		(2,653)	-
Publications		(2,021)	(2,159)
Accounting and Audit Fees	4b	(4,110)	(8,487)
Depreciation	4c	(1,017)	(4,105)
Consultancy Fees		(4,590)	(34,243)
Other Expenses	4d	(20,942)	(35,191)
Profit / (Loss) from ordinary activities before income tax expense		20,800	(15,042)
Significant Item of Expense	1	(21,013)	-
Income tax expense	1a	-	-
Net (loss) from ordinary activities after income tax expense attributable to the Federation		(213)	(15,042)

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income
for the Period Ended 31 December 2018**

	1 July 2017 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
(Loss) / Profit for the period	(213)	(15,042)
Total Comprehensive (loss) for the period	(213)	(15,042)
Total Comprehensive (loss) attributable to members of the organisation	(213)	(15,042)

The accompanying notes form part of the financial statements

**Statement of Financial Position
as at 31 December 2018**

	Note	31 December 2018 \$	30 June 2018 \$
CURRENT ASSETS			
Cash and cash equivalents	5	-	12,720
Trade and other receivables	6	-	31,615
Other current assets	7	-	4,753
TOTAL CURRENT ASSETS		-	49,088
NON-CURRENT ASSETS			
Plant and equipment	8	-	13,657
TOTAL NON-CURRENT ASSETS		-	13,657
TOTAL ASSETS		-	62,745
CURRENT LIABILITIES			
Trade and other payables	9	-	42,595
Short term provisions	11	-	1,967
Borrowings	10	-	6,853
TOTAL CURRENT LIABILITIES		-	51,415
NON-CURRENT LIABILITIES			
Borrowings	10	-	11,117
TOTAL NON-CURRENT LIABILITIES		-	11,117
TOTAL LIABILITIES		-	62,532
NET ASSETS		-	213
MEMBERS' FUNDS			
Accumulated Surplus		-	213
TOTAL MEMBERS' FUNDS		-	213

The accompanying notes form part of the financial statements

**Statement of Changes in Members' Funds
for the Period Ended 31 December 2018**

	31 December 2018	30 June 2018
	\$	\$
Balance at beginning of period	213	15,255
Surplus / (Loss) attributable to members	(213)	(15,042)
	-	213
Balance at end of period	-	213

The accompanying notes form part of the financial statements

**Statement of Cash Flow
For the Period ended 31 December 2018**

	Note	31 December 2018 \$	30 June 2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		201,306	305,868
Receipts from related parties		-	1,104
Payments to suppliers and employees		(123,399)	(297,002)
Payments to other CCF Branches		(4,445)	(10,322)
Payments to CCF National Office		(11,247)	(19,903)
Interest received		-	109
Net cash provided by operating activities	15b	62,215	(20,146)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		-	(1,744)
Net cash (used) in investing activities		-	(1,744)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment for Hire Purchase Contract		(2,990)	(4,807)
Net cash generated from financing activities		(2,990)	(4,807)
Net (decrease)/increase in cash held		59,225	(26,697)
Cash at the beginning of the financial period		12,720	39,417
Transfer of cash to CCF on disbandment of Branch	15c	(71,945)	
Cash at the end of the financial period	15a	-	12,720

The accompanying notes form part of these financial statements

**Notes to the Financial Statements
for the Period Ended 31 December 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 (TAS Branch) is a 'not for profit' entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost. 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. Given the disbandment of the Branch effective at 31 December, 2018 – refer the note below, the financial statements have not been prepared on a going concern basis, all assets and liabilities having been transferred to Civil Contractors Federation on that date. Rather, the financial report and in particular the assets and liabilities of the branch, prior transfer, were measured on a "liquidation" basis which reflected their recoverable values and expected settlement amounts as at the date of transfer.

The financial statements are presented in Australian dollars.

The financial report covers Civil Contractors Federation (TAS Branch) as an Individual entity. Civil Contractors Federation (TAS Branch) was a Federation incorporated in Tasmania under the Fair Work (Registered Organisations) Act 2009 until the date of disbandment referred to above.

Disbandment of Branch

In accordance with a resolution made by the National Board of CCF on 16 November, 2018, with effect from 31 December, 2018, CCF adopted a new constitution and rules which were certified by the Fair Work Commission. It was also resolved that effective as at 31 December, 2018, all assets, liabilities and undertakings of the branch be transferred for \$nil consideration to CCF at which point in time, the branch would be disbanded. Set out below is a summary of the assets, liabilities and undertakings transferred by the branch to CCF as at 31 December, 2018:

	\$
Cash	71,945
Trade and other receivables	30,293
Plant & Equipment	12,640
Trade and other payables	(76,244)
Borrowings	(14,980)
Employee Entitlements	(2,641)
Net Assets	21,013

On the basis that \$nil consideration was received for this transfer, an amount of \$21,103 has been reported as a "Significant Item of Expense" in the Statement of Profit/Loss and Other Comprehensive Income.

As set out in the bases of accounting note, the branch will no longer operate and hence is not a going concern as at the date of this financial report.

Prior Year Comparatives

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

**Notes to the Financial Statements
for the Period Ended 31 December 2018**

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

Accounting Policies

a. Income Tax

The Federation is registered under the Fair Work (Registered Organisations) Act 2009 and, is believed to have been 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 included 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 was carried at cost or fair value, less, where applicable, any accumulated depreciation and impairment losses.

Cost and valuation

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

The carrying amount of plant and equipment were reviewed at each reporting date by the Board to ensure they were not in excess of the recoverable amount of those assets. The recoverable amount was 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 were measured at the lower of cost and fair value.

Depreciation

The depreciable amounts of plant and equipment were depreciated using the straight line method at rates based on their estimated useful lives commencing from the time the asset is held ready for use.

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

	31/12/2018	30/06/2018
Office, furniture and equipment	20%-50%	20%-50%
Motor vehicles	25%	25%

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

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

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

d. Trade and other Receivables

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

The collectability of debts has been reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivable was 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 was recognised in the income statement as an expense.

**Notes to the Financial Statements
for the Period Ended 31 December 2018**

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

e. Trade and other Payables

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

f. Financial Instruments

Financial instruments were 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 have been recognised in the Statement of Profit and Loss.

g. Employee Benefits

Short-term employee benefits

Provision has been 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 have been 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 have been recognised as part of current trade and other payables in the statement of financial position.

Long-term employee benefits

Provision was 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. Other long-term employee benefits were 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 other long-term employee benefits were recognised in profit or loss in the periods in which the changes occur.

The Branch's obligations for long-term employee benefits were presented as non-current provisions in its statement of financial position, except where the Branch did 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 were presented as current provisions.

No provision has been 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 were 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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

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, were transferred to the Branch were classified as finance leases.

Finance leases were 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 were depreciated on a straight line basis over their estimated useful lives where it is likely that the Branch would obtain ownership of the asset over the term of the lease. Lease payments were 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, were charged as expenses in the periods in which they were incurred.

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

i. Goods and Services Tax (GST)

Revenues, expenses and assets have been 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 has been recognised as part of the cost of acquisition of the asset or as part of an item of expense, and 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

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 is recognised in proportion to the stage of completion of the service (this includes any grant income received/receivable).

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

k. Operating Segment

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

The Branch operated predominantly in one business and geographical segment, being a representative body of civil engineering contractors in Tasmania, 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 Tasmania.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

I. Fair Value of Assets and Liabilities

The Branch measured 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 were 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 took 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 have been 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 was not available, other valuation techniques were adopted and, where significant, detailed in the respective note to the financial statement.

m. Capitation Fees

These fees were recognised on an accruals basis, and recorded as an expense in the period to which they related.

n. Critical Accounting Estimates and Judgements

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 period ended 31 December 2018, except as stated in this report.

Key Judgements - Doubtful Debts Provision

The Board assessed each debtor and estimated no provision for doubtful debts was required except as disclosed at Note 6. The Board believes that the full amount of the remaining debtors was recoverable.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

o. New Accounting Standards for Application in Future Periods

The AASB issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which would have been relevant to the entity. The Committee of Management and CCF Board decided not to early adopt any of the new and amended pronouncements as at the date of disbandment.

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).

q. Going Concern

Given the disbandment of the branch effective at 31 December 2018, the financial statements have not been prepared on a going concern basis, all assets and liabilities having been transferred to Civil Contractors Federation on that date. Rather, the financial report and in particular the assets and liabilities of the branch, prior transfer, were measured on a "liquidation" basis which reflected their recoverable values and expected settlement amounts as at the date of transfer.

The Branch has not been reliant on any agreed financial support to continue as a going concern, nor has it agreed to provide such support to ensure other branches operated as a going concern.

NOTE 2: FUND ANALYSIS

For the financial period ended 31 December 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; and
- there is no balance within the general fund.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 3: REVENUE		
Operating activities:		
Member Subscriptions	41,143	92,600
Functions	90,946	79,613
Training Fees	9,816	8,626
CCF Cards	1,699	4,787
Publications	1,964	5,106
Grants	45,000	11,432
Sponsorship	3,569	6,631
Interest received	-	109
Directors' Fees	5,847	9,067
Donations > \$1,000	-	-
Donations < \$1,000	-	-
Grants > \$1,000	-	-
Grants < \$1,000	-	-
Capitation Fees	-	-
Compulsory & Voluntary Levy	-	-
Financial Support - Branches	-	-
Other Revenue Derived from Undertaking Recovery of Wage Activity	-	-
Total Revenue	199,984	217,971
NOTE 4: PROFIT / (LOSS) FROM ORDINARY ACTIVITIES		
The operating profit of the Branch before income tax expense has been determined after:		
a. Bad and Doubtful Debts		
Bad debts written off	-	-
Provision for doubtful debts	-	-
	-	-
b. Accounting and Audit Fees		
Accounting fees - Other Providers	2,745	6,232
Auditor's remuneration – Financial Statement Audit	1,355	2,255
	4,110	8,487
c. Depreciation and Amortisation		
Plant and equipment	286	214
Furniture and fittings	19	97
Motor Vehicle	712	3,794
	1,017	4,105

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

	31 December 2018 \$	30 June 2018 \$
d. Other Expenses		
Advertising	683	774
Postage	254	797
Meeting Expenses and Conferences	700	2,897
Subscriptions	-	1,940
Sponsorship	-	-
Print and Stationery	510	137
Telephone	807	819
Insurance	1,248	883
Rental	8,345	20,776
Miscellaneous Expenses	7,959	4,121
Interest expense	436	2,047
Compulsory and Voluntary Levies – Other Parties	-	-
Fees and Allowances – Conference Attendance	-	-
Donations / Grants	-	-
Legal Costs (litigation and other matters)	-	-
Penalties – RO Act and Regulations	-	-
Consideration to Employers for making Payroll	-	-
Deductions	-	-
Capitation Fees	-	-
Affiliation Fees	-	-
	20,942	35,191
e. Employee related expenses		
Salaries	44,878	47,237
Superannuation	9,007	4,344
Employee benefits (leave and other entitlements)	1,761	507
Separation and Redundancy	-	6,594
Payroll tax	3,423	3,183
Training and recruitment	429	3,181
Other employee expenses	85	-
	59,583	65,046
f. Expenses – Financial Affairs Administered by Other Entities		

For the financial period ended 31 December 2018, external costs paid to 'Abacus Accounting & Tax' and 'Fulton Bookkeeping Services' were incurred relating to accounting and tax and bookkeeping services to CCF TAS.

Monthly invoicing occurs based on hours of service each month. For the financial period ended 31 December 2018, a total of \$2,755 was incurred to these entities on a commercial basis.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 5: CASH AND CASH EQUIVALENTS

	31 December 2018 \$	30 June 2018 \$
Current		
Cash at bank	-	12,720
	-	12,720

The weighted average interest rate for cash as at 31 December 2018 was 0.05% (2018: 0.05%)

NOTE 6: TRADE AND OTHER RECEIVABLES

	31 December 2018 \$	30 June 2018 \$
a. Current		
Trade debtors	-	31,615
	-	31,615
Less: Provision for Doubtful Debts	-	-
	-	31,615
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 as provided for above

NOTE 7: OTHER ASSETS

Current		
Prepayments	-	4,753

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 8: PLANT AND EQUIPMENT		
Plant and equipment – at cost	-	9,874
Less: Accumulated depreciation	-	(7,989)
	-	1,885
Furniture and fittings – at cost	-	2,239
Less: Accumulated depreciation	-	(1,850)
	-	389
Motor Vehicle – at cost	-	26,475
Less: Accumulated depreciation	-	(15,092)
	-	11,383
Total plant and equipment – net book value	-	13,657
Plant & Equipment – at cost		
Carrying amount at beginning of the period	1,885	355
Additions	-	1,744
Disposals	-	-
Transfer to CCF	(1,599)	-
Depreciation Expense	(286)	(214)
Carrying amount at end of period	-	1,885
Furniture and Fittings – at cost		
Carrying amount at beginning of the period	389	486
Additions	-	-
Disposals	-	-
Transfer to CCF	(370)	-
Depreciation Expense	(19)	(97)
Carrying amount at end of year	-	389
Motor Vehicle – at cost		
Carrying amount at beginning of the period	11,383	15,177
Additions	-	-
Disposals	-	-
Transfer to CCF	(10,671)	-
Depreciation Expense	(712)	(3,794)
Carrying amount at end of period	-	11,383
NOTE 9: TRADE AND OTHER PAYABLES		
a. Current		
Deferred income	-	38,216
Trade creditors	-	4,379
	-	42,595

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 9: TRADE AND OTHER PAYABLES (cont'd)

b. Terms and Conditions

Deferred income relates to cash receipts for membership fees, training and advertising revenue received for the subsequent reporting period and project funding received for the subsequent reporting period and beyond.

Creditors and accruals were 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.

NOTE 10: BORROWINGS

	31 December 2018 \$	30 June 2018 \$
Current		
Hire Lease Purchase Liabilities	-	6,853
Non-current		
Hire Lease Purchase Liabilities	-	11,117
	-	17,970

NOTE 11: PROVISIONS

	31 December 2018 \$	30 June 2018 \$
a. Current		
Provision for annual leave	-	880
Provision for superannuation	-	1,087
	-	1,967
b. Number of employees at period-end	-	1

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

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	31/12/2018 \$	30/6/2018 \$	31/12/2018 \$	30/6/2018 \$	31/12/2018 \$	30/6/2018 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	880	-	-	-	880
Total	-	880	-	-	-	880

	Separation and Redundancy Provisions		Other Employee Provisions		Total	
	31/12/2018 \$	30/6/2018 \$	31/12/2018 \$	30/6/2018 \$	31/12/2018 \$	30/6/2018 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	-	-	-	-	-
Total	-	-	-	-	-	-

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 11: PROVISIONS (Cont'd)

There are no provisions for separation and redundancy or other provisions for officeholders or other employees (2018: \$nil)

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

Employee benefits paid/accrued during the year	Elected Officials (Office holders)		Employees (other than Elected Officials)		Total	
	31/12/2018	30/6/2018	31/12/2018	30/6/2018	31/12/2018	30/6/2018
	\$	\$	\$	\$	\$	\$
Wages and Salaries	-	-	44,878	47,237	44,878	47,237
Annual Leave and Long Service Leave	-	-	1,761	507	1,761	507
Redundancy Payments	-	-	-	6,594	-	6,594
Payroll Tax	-	-	3,423	3,183	3,423	3,183
Superannuation	-	-	9,007	4,344	9,007	4,344
Other Employee Expenses	-	-	514	3,181	514	3,181
Total	-	-	59,583	65,046	59,583	65,046

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's did not have any derivative instruments at 31 December 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 meets 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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 13: FINANCIAL RISK MANAGEMENT (cont'd)

Liquidity risk

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

Interest rate risk

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

As at 31 December 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 set out below

	31 December 2018 \$	30 June 2018 \$
Change in profit/(loss)		
Increase in interest rate by 1%	-	(53)
Decrease in interest rate by 1%	-	53
Change in equity		
Increase in interest rate by 1%	-	(53)
Decrease in interest rate by 1%	-	53

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

Interest Rate Risk

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

	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 \$
31 December 2018							
Assets:							
Cash	NA	-	-	-	-	-	-
Trade and Sundry Debtors	-	-	-	-	-	-	-
Liabilities:							
Sundry Creditors & Other Liabilities	NA	-	-	-	-	-	-
Net financial assets	-	-	-	-	-	-	-
30 June 2018							
Assets:							
Cash	2.00	12,720	-	-	-	-	12,720
Trade and Sundry Debtors	-	-	-	-	-	36,368	36,368
		12,720	-	-	-	36,368	49,088
Liabilities:							
Sundry Creditors & Other Liabilities	-	-	(6,853)	(11,117)	-	(42,595)	(60,565)
	-	-	(6,853)	(11,117)	-	(42,595)	(60,565)
Net financial assets	-	12,720	(6,853)	(11,117)	-	(6,227)	(11,477)

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 13: FINANCIAL RISK MANAGEMENT (cont'd)

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.

NOTE 14: RELATED PARTIES

a. TAS Branch Board members

The names of the members of the TAS Branch Board who held office during the period are as follows:

Adrian Granger, Ashley Cooper, Phil Sydney, Peter Campbell, Alistair McCulloch, Lincoln Bromwich, Stephen Pregnell, Rob Batchelor, Camille O'Meara, Neil Armstrong, Simon Heazlewood, Stewart Greeves, Jesse Brunskill, Hugh Maslin, Naomi Walsh and Justin Woolford.

No members of the TAS Branch Board, nor any other employees received attendance fees during the year, nor did the TAS Branch Board members accrue any leave entitlements.

The officeholders/other employees received no 'non cash' benefits (30 June 2018: \$nil). No officeholder/other employee 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/other employee has or did acquire.

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

- i) The officeholder or other employee held such a position with the Board or peak council 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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 14: RELATED PARTIES (Cont'd)

- b. Names and positions held by key management personnel in office at any time during the year**
Chief Executive Officer Rachael Matheson (commenced 7 May 2018).

	31 December 2018			30 June 2018		
	\$			\$		
c. Key Management Personnel Remuneration	Short Term Benefits	Post Employment Benefits	Total	Short Term Benefits	Post Employment Benefits	Total
	\$	\$	\$	\$	\$	\$
Total Compensation	44,878	9,007	53,885	11,442	1,087	12,529

	31 December 2018			30 June 2018		
	\$			\$		
d. Annual Leave and Long Service Leave Accrued for Key Management Personnel at end of the Year	Annual Leave	Long Service Leave	Total	Annual Leave	Long Service Leave	Total
	\$	\$	\$	\$	\$	\$
Total Annual Leave Provision	-	-	-	880	-	880

No termination benefits or share based payments were received by officeholders or employees during the period (30 June 2018: \$nil).

e. Transactions with National Office, Branches and Related Entities

Entities related to TAS 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.

	31 December 2018	30 June 2018
	\$	\$
Levy Payment		
During the year, the TAS Branch paid to the National Office a per capita payment calculated in accordance with the rules.	9,211	16,500

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 14: RELATED PARTIES (Cont'd)

f. Related Party balances at year end

Amounts receivable/(payable) at reporting date	31 December 2018	30 June 2018
	\$	\$
National Branch	-	-
Victoria Branch	-	-
South Australia Branch	-	(991)
	<u>-</u>	<u>(991)</u>
Balance Reconciliation- related entities		
National Office		
Carrying amount at beginning of the year	-	(2,066)
Levy charged	(9,928)	(16,500)
Sundry Charges	-	(1,337)
Sundry Income	-	279
Receipts	-	(279)
Payment made	11,247	19,903
Transfer to CCF	(1,319)	-
Carrying amount at end of the year	<u>-</u>	<u>-</u>
Victoria Branch		
Carrying amount at beginning of the year	-	248
Sundry Charges	(4,445)	(7,989)
Sundry Income	86	600
Receipts	-	(825)
Payment made	4,445	7,966
Transfer to CCF	(86)	-
Carrying amount at end of the year	<u>-</u>	<u>-</u>
South Australia Branch		
Carrying amount at beginning of the year	(991)	(819)
Sundry Charges	(1,090)	(2,528)
Sundry Income	-	-
Receipts	-	-
Payment made	-	2,356
Transfer to CCF	2,081	-
Carrying amount at end of the year	<u>-</u>	<u>(991)</u>
Queensland		
Carrying amount at beginning of the year	-	-
Sundry Charges	-	-
Sundry Income	-	-
Receipts	-	-
Payment made	-	-
Carrying amount at end of the year	<u>-</u>	<u>-</u>

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 14: RELATED PARTIES (cont'd)

g. Other

The Branch rents its premises on normal terms and conditions from an entity in which Mr Granger is a director. Rental and other costs incurred to 'G & A Consulting' amounted to \$8,345 for the period ended 31 December 2018. Mr Granger receives fees for holding directorships in other entities on behalf of the Branch, such fees are paid directly to the Branch and disclosed as director fees (see Note 3 to this report).

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. For the period ended 31 December 2018, the Civil Contractors Federation (TAS Branch) has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (30 June 2018: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

No other payments to a former related party of the Branch occurred for the period to 31 December 2018.

	31 December 2018 \$	30 June 2018 \$
NOTE 15: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash at bank	-	12,720
	-	12,720
b. Reconciliation of (loss) from ordinary activities after income tax to net cash provided by operating activities		
Operating (loss) after income tax	(213)	(15,042)
Non-cash flows in profit / (deficit) from ordinary activities		
- Depreciation and amortisation	1,017	4,105
- Loss on Transfer of net assets to CCF	21,013	-
Changes in Operating Assets and Liabilities		
Decrease/(Increase) in receivables	1,322	89,110
Decrease/(Increase) in other assets	4,753	18,720
(Decrease)/Increase in payables and other creditors	33,649	(118,562)
(Decrease)/Increase in provisions	674	1,523
Net Cash Provided by Operating Activities	62,215	(20,146)

c. Cash Transfer

At disbandment date, the fair value of net assets transferred to CCF for \$nil consideration amounted to \$21,103 (refer Note 1). Cash of \$71,945 was transferred to CCF as part of this transaction (refer also Note 1).

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 16: OPERATING COMMITMENTS		
Operating Lease Commitments – as lessee		
Future minimum rentals payable under non-cancellable operating leases at period end 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	-	-
	-	-
Operating Lease Commitments – as lessor		
Future minimum rentals receivable under non-cancellable operating leases at period end 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: CAPITAL COMMITMENTS

At 31 December 2018, the entity has no capital commitments.

NOTE 18: 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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 18: FAIR VALUE MEASUREMENT (cont'd)

a. Fair Value Hierarchy (cont'd)

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 by the Branch 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.

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.

	Note	31 December 2018			Total
		Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements					
<i>Financial assets</i>					
Financial assets at fair value through profit or loss:					
Available-for-sale financial assets:					
Total financial assets recognised at fair value		-	-	-	-
<i>Non-financial assets</i>					
Freehold land & buildings		-	-	-	-
Total non-financial assets recognised at fair value		-	-	-	-

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 18: FAIR VALUE MEASUREMENT (cont'd)

a. Fair Value Hierarchy (cont'd)

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

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

Description	Fair Value at 31 December 2018 and 30 June 2018 \$	Valuation Technique(s)	Inputs Used
Non-financial assets	-	n/a	n/a
Financial assets at fair value through profit or loss:			
Available-for-sale financial assets:	-	n/a	n/a
	-	n/a	n/a
	-	n/a	n/a

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; and
- accounts payable and other payables.

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

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 19: EVENTS SUBSEQUENT TO BALANCE DATE

At 31 December 2018, there are no subsequent events to report.

NOTE 20: CONTINGENT ASSETS OR LIABILITIES

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

NOTE 21: ECONOMIC DEPENDENCY

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

NOTE 22: OTHER DISCLOSURES

The Branch did not receive any financial support from any other reporting unit during the period to enable it to continue as a going concern, nor did it provide any financial support to another reporting unit during the financial period to enable that unit to continue as a going concern. 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 31 December 2018, a total amount of \$Nil was payable in respect of legal costs (relating to 'legal and other matters') (2018: \$Nil). No payable exists at reporting date in respect of consideration for payroll deductions of membership subscriptions (2018: \$nil).

NOTE 23: OTHER ACTIVITIES

The Branch did not acquire an asset or liability during the financial period due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, and/or a determination or revocation by the General Manager, Fair Work Commission.

NOTE 24: BRANCH DETAILS

The registered office and the principal place of business of the Branch prior disbandment was:-

Civil Contractors Federation (TAS Branch)
Unit 1/5 Runway Place
Cambridge TAS 7170

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Civil Contractors Federation (TAS Branch), which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period ended 31 December 2018, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement and the subsection 255(2A) report.

In our opinion, paying due regard to the matter set out in the 'Going Concern Basis' paragraph below, the accompanying financial report presents fairly, in all material aspects, the financial position of Civil Contractors Federation (TAS Branch) as at 31 December 2018, and its financial performance and its cash flows for the period 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 liquidation basis of accounting – refer further below, in the preparation of the financial statements of the TAS Branch is appropriate.

Going Concern Basis

We draw attention to Note 1 in the financial report, which indicates that with effect from 31 December 2018, Civil Contractors Federation (TAS Branch) was disbanded. This occurrence has precluded the TAS Branch from operating as a 'going concern' at the end of the reporting period. The financial report has been henceforth prepared on a 'liquidation' basis at reporting date, wherein the statement of financial position reflects the recoverable amounts of assets and estimated liability settlement amounts at that date. Our opinion is not modified in respect of this matter.

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 and the National Board of CCF are 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 and CCF National Board for the Financial Report

The Committee of Management of TAS Branch and the National Board of CCF were 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 they 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 and the National Board of CCF have been responsible for assessing TAS Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and ultimately using the liquidation basis of accounting given TAS Branch operations ceased on 31 December 2018.

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, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 and the National Board's use of the liquidation basis of accounting, based on the audit evidence obtained. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- 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 TAS 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.

Stannards Accountants and Advisors



Michael B Shulman
Partner

Melbourne, VIC
Dated: 7th May 2019

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



**CIVIL CONTRACTORS
FEDERATION**

**CIVIL CONTRACTORS FEDERATION
(VIC BRANCH)**

ABN 97 341 352 156

**Financial Report
for the Period Ended
31 December 2018**

**CIVIL CONTRACTORS FEDERATION
(VIC BRANCH)**

ABN 97 341 352 156

**Financial Report
for the Period Ended
31 December 2018**

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Operating Report for the Period Ended 31 December 2018

The National Board of Civil Contractors Federation (CCF) presents the operating report on Civil Contractors Victorian Branch (CCF VIC) for the period ended 31 December 2018.

Principal Activities s254(2)(a)

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

Results of principal activities s254(2)(a)

The Branch's principal activities resulted in a trading loss of \$62,708 for the period ended 31 December 2018, before providing for a 'significant item of expense' of \$1,700,841 (refer below) relating to the disbandment of the Branch (30 June 2018: Loss of \$ 85,244).

The branch service delivery to membership was based on the five key value drivers, Skills, Member Services, Advocacy, Representation and Technology (SMART)

Advocacy and member services in relation to capacity development of the work force in the civil industry was a major focus area for our work. In the delivery of skilled based training, the Branch offered a wider range of civil related courses and apprenticeship training, which included the launch of our Civil Skills Cadetship program following a successful \$1.93m grant funding application under the State Government's Workforce Training & Innovation Fund (WTIF) Skills First Initiative.

The Branch has continued service provision in workplace training to meet industry demands. Continued education and promotion of contractors to achieve recognition as accredited contractors for quality management OH&S and environmental management, utilising the Branch's Contractor Management System. Review of the CCF Code was undertaken in accordance with recent ISO 9000, ISO14000 and ISO45001 amendments. This review received the full approval of JAS-ANZ and the official launch to the market is scheduled for Feb 2019. The release of the revised code necessitated higher level of engagement with stake holders and related authorities. In this regard we have conducted number of workshops in regional and metro locations.as the controlling Quality Assurance Body and awaiting endorsement at the time of this audit.

Advocacy to both state and federal governments and government agencies has also been an area of high performance in representing the views of members in the industry. This included submissions to the Federal Government's, Security of Payments Review and Parliamentary enquiry into the performance of Vic Roads in maintaining Country Roads, led by the Victorian Civil Construction Alliance of which the Branch is an active member.

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

There were no significant changes in the nature of the Branch's principal activities during the financial period, except that on 31 December 2018, the Branch was disbanded and its net assets transferred to CCF for no consideration in accordance with the approval of members and the Fair Work Commission.

The restructuring of the branch entity structure and disestablishment of the FWC registration resulted in closure of commercial activities. These corporate structural changes are impacting the registrations with ASQA etc. and CCF is working through the process. The transition of all activities including staff is to be done based on a planned-out transition plan.

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

Refer to Note 1 'Disbandment of Branch' relating to circumstances during the period which significantly affect the financial affairs of the Branch.

**Operating Report
for the Period Ended 31 December 2018**

Principal activities s254(2)(a) - (cont'd)

Number of Members RO reg 159(a)

The number of persons who, at the end of the period (prior to disbandment), were recorded on the Register of financial members was: 378 Members and 104 Associate Members, with financial members being 320 and financial associate members being 66. At the end of the previous financial year there were 379 Members and 121 Associate Members.

Number of Employees reg 159(b)

The number of persons who were, at the end of the period (prior to disbandment), employees of the Victoria Branch was 20.59 measured on a full-time equivalent basis (30 June 2018: 19.85).

Committee of Management Members RO reg 159(c)

The persons who held office as members of the Board of the VIC Branch during the period until its disbandment were:

Andrew Mahar	President	1-07-2018 to 31-12-2018
Andrew Mahar	Board Member & National Board Member	1-07-2018 to 31-12-2018
Steve Traicevski	Acting President (covering leave)	16-11-2018 to 31-12-2018
John Plumridge	Board Member & Treasurer	1-07-2018 to 31-12-2018
Steve Traicevski	Acting National delegate	16-11-2018 – 31.12.2018
Cliff Smith	Board Member	1-07-2018 to 31-12-2018
Steve Traicevski	Board Member	1-07-2018 to 31-12-2018
Jay Miller	Board Member	1-07-2018 to 31-12-2018
Bob Beck	Board Member	1-07-2018 to 31-12-2018
Robert Trebilco	Board Member	1-07-2018 to 16-11-2018
Khaled Elagha	Board – Member Casual	20-04-2018 to 31-12-2018

Following disbandment, the responsibility for presentation and approval of the financial report of the VIC Branch rested with the National Board of CCF.

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 held 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
for the Period Ended 31 December 2018**

Manner of resignation

Members could 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 sub-rule (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: Michael Unger, National President

Dated: 7th May 2019

**National Board Statement
for the Period Ended 31 December 2018**

On 7th May 2019 the Civil Contractors Federation National Board passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the period ended 31 December 2018:

The National Board 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 period to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit could pay its debts as and when they become due and payable prior to disbandment; and
- (e) during the period to which the GPFR relates:
 - (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.

This declaration is made in accordance with a resolution of the National Board of CCF.

Signature of designated officer:



Name and title of designated officer: Michael Unger, National President

Dated: 7th May 2019

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

We declare that, to the best of our knowledge and belief, during the period ended 31 December 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 7th May 2019

**Expenditure Report
For the Period ended 31 December 2018**

The National Board of CCF presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the period ended 31 December 2018.

	1 July 2018 - 31 December 2018	1 July 2017 - 30 June 2018
	\$	\$
CATEGORIES OF EXPENDITURE		
Remuneration and other employment-related costs and expenses - employees	1,036,732	1,583,057
Advertising	12,655	13,143
Operating Costs	967,189	1,701,152
Donations to Political Parties	-	-
Legal Costs	-	7,269
Total	2,016,576	3,304,621

Signature of designated officer:



Name and title of designated officer: Michael Unger, National President

Dated: 7th May 2019

**Statement of Profit or Loss
for the Period Ended 31 December 2018**

	Note	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
Revenue	3	1,953,868	3,219,377
Auditors remuneration	4b	(255)	(9,486)
Bad and doubtful debt expenses	4a	(131,465)	(71,177)
Depreciation expenses	4c	(58,627)	(96,058)
Employee benefits expenses	4e	(1,036,732)	(1,583,057)
National Branch Levy	4d	(59,297)	(88,000)
Other expenses	4f	(730,200)	(1,456,843)
Total expenses		(2,016,576)	(3,304,621)
(Loss) from ordinary activities		(62,708)	(85,244)
Significant Item of Expense		(1,700,841)	-
(Loss) from ordinary activities after Significant Item of Expense		(1,763,549)	(85,244)
Income tax expense		-	-
Net (loss) from ordinary activities after income tax expense attributable to the Federation		(1,763,549)	(85,244)

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income
for the Period Ended 31 December 2018**

	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
(Loss) for the period	(1,763,549)	(85,244)
Other Comprehensive Income for the period	-	-
Total comprehensive Income for the period	(1,763,549)	(85,244)
Total comprehensive Income attributable to members of the organisation	(1,763,549)	(85,244)

The accompanying notes form part of the financial statements

**Statement of Financial Position
as at 31 December 2018**

	Note	31 December 2018 \$	30 June 2018 \$
CURRENT ASSETS			
Cash and cash equivalents	5	-	2,804,559
Trade and other receivables	6	-	1,316,486
Inventories	7	-	32,645
Other current assets	8	-	65,493
TOTAL CURRENT ASSETS		-	4,219,183
NON-CURRENT ASSETS			
Property, plant and equipment	9	-	2,971,082
TOTAL NON-CURRENT ASSETS		-	2,971,082
TOTAL ASSETS		-	7,190,265
CURRENT LIABILITIES			
Trade and other payables	10	-	3,356,636
Borrowings	11	-	212,587
Provisions	12	-	171,110
TOTAL CURRENT LIABILITIES		-	3,740,333
NON-CURRENT LIABILITIES			
Trade and other payables	10	-	2,000
Borrowings	11	-	1,684,383
TOTAL NON-CURRENT LIABILITIES		-	1,686,383
TOTAL LIABILITIES		-	5,426,716
NET ASSETS		-	1,763,549
MEMBERS' FUNDS			
Reserves	14	-	2,000
Retained earnings	15	-	1,761,549
TOTAL MEMBERS' FUNDS		-	1,763,549

The accompanying notes form part of the financial statements

**Statement of Changes in Members' Funds
for the Period Ended 31 December 2018**

Retained Earnings Balance as at 1 July 2017	1,846,793
(Loss) attributable to members	(85,244)
Balance at 30 June 2018	<u>1,761,549</u>

Reserve balance at 30 June 2018	<u>2,000</u>
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Retained Earnings Balance as at 1 July 2018	1,761,549
Transfer from Reserves	2,000
(Loss) attributable to members	<u>(1,763,549)</u>
Balance at 31 December 2018	<u>-</u>

Reserve balance at 30 June 2018	<u>2,000</u>
Transfer to Retained Earnings	<u>(2,000)</u>
Balance at 31 December 2018	<u>-</u>

The accompanying notes form part of the financial statements

**Statement of Cash Flow
For the Period ended 31 December 2018**

	Note	31 December 2018 \$	30 June 2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		2,494,983	3,090,512
Cash receipts from related parties – Branches	18(f)	9,992	24,713
Interest received		16,037	14,492
Cash payments to related parties - Branches	18(f)	(43,197)	(109,622)
Cash payments in the course of operations		(2,807,915)	(1,024,686)
Net cash provided by (used in) operating activities	19	(330,100)	1,995,409
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for plant and equipment		(105,684)	(1,150,137)
Proceeds from disposal of plant and equipment		39,112	42,203
Net cash provided by (used in) investing activities		(66,572)	(1,107,934)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net proceeds / (repayments) of hire purchase liabilities		(32,142)	98,243
Borrowings - net		(624,337)	925,548
Net cash provided by (used in) financing activities		(656,479)	1,023,791
Net increase/(decrease) in cash held		(1,053,151)	1,911,266
Cash at the beginning of the financial year		2,804,559	893,293
Transfer of cash to CCF on disbandment of Branch		(1,751,408)	-
CASH AT THE END OF THE FINANCIAL YEAR	5	-	2,804,559

The accompanying notes form part of these financial statements

**Notes to the Financial Statements
for the Period Ended 31 December 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 (VIC Branch) is a 'not for profit' entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost. 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. Given the disbandment of the Branch effective at 31 December, 2018 – refer the note below, the financial statements have not been prepared on a going concern basis, all assets and liabilities having been transferred to Civil Contractors Federation on that date. Rather, the financial report and in particular the assets and liabilities of the branch, prior transfer, were measured on a "liquidation" basis which reflected their recoverable values and expected settlement amounts as at the date of transfer.

The financial statements are presented in Australian dollars.

The financial report covers Civil Contractors Federation (VIC Branch) as an Individual entity. Civil Contractors Federation (VIC Branch) was a Federation incorporated in Victoria under the Fair Work (Registered Organisations) Act 2009 until the date of disbandment referred to above.

Disbandment of Branch

In accordance with a resolution made by the National Board of CCF on 16 November, 2018, with effect from 31 December, 2018, CCF adopted a new constitution and rules which were certified by the Fair Work Commission. It was also resolved that effective as at 31 December, 2018, all assets, liabilities and undertakings of the branch be transferred for \$nil consideration to CCF at which point in time, the branch would be disbanded. Set out below is a summary of the assets, liabilities and undertakings transferred by the branch to CCF as at 31 December, 2018:

	\$
Cash	1,751,408
Inventory	27,255
Land & Buildings	1,284,777
Plant & Equipment	1,701,142
Trade Receivables	749,342
Other Assets	90,212
Borrowings	(1,240,491)
Trade and Other Payables	(2,508,980)
Employee Entitlements	(153,824)
Net Assets	1,700,841

On the basis that \$nil consideration was received for this transfer, an amount of \$1.701 million has been reported as a "Significant Item of Expense" in the Statement of Profit/Loss and Other Comprehensive Income.

As set out in the bases of accounting note, the Branch will no longer operate and hence is not a going concern as at the date of this financial report.

Prior Year Comparatives

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

**Notes to the Financial Statements
for the Period Ended 31 December 2018**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

Accounting Policies

a. Income Tax

The Federation is registered under the Fair Work (Registered Organisations) Act 2009 and, is believed to have been 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 included 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 was carried at cost or fair value, less, where applicable, any accumulated depreciation and impairment losses.

Cost and valuation

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

The carrying amount of plant and equipment were reviewed at each reporting date by the Board to ensure they were not in excess of the recoverable amount of those assets. The recoverable amount was 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 were measured at the lower of cost and fair value.

Depreciation

The depreciable amounts of plant and equipment were depreciated using the straight line method at rates based on their estimated useful lives commencing from the time the asset is held ready for use.

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

	31 December 2018	30 June 2018
Motor vehicles	18.75%-25%	18.75%-25%
Plant & Equipment	2.5%-100%	2.5%-100%

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

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

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

**Notes to the Financial Statements
for the Period Ended 31 December 2018**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

Accounting Policies

d. Trade and other Receivables

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

The collectability of debts has been reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivable was 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 was recognised in the income statement as an expense.

e. Trade and other Payables

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

f. Financial Instruments

Financial instruments were 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 have been recognised in the Statement of Profit and Loss.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

g. Employee Benefits

Short-term employee benefits

Provision has been 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 have been 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 have been recognised as part of current trade and other payables in the statement of financial position.

Long-term employee benefits

Provision was 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. Other long-term employee benefits were 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 other long-term employee benefits were recognised in profit or loss in the periods in which the changes occur.

The Branch's obligations for long-term employee benefits were presented as non-current provisions in its statement of financial position, except where the Branch did 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 were presented as current provisions.

No provision has been 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 were 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.

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, were transferred to the Branch were classified as finance leases.

Finance leases were 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 were depreciated on a straight line basis over their estimated useful lives where it is likely that the Branch would obtain ownership of the asset over the term of the lease. Lease payments were allocated between the reduction of the lease liability and the lease interest expense for the period.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

h. Leases (cont'd)

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

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

i. Goods and Services Tax (GST)

Revenues, expenses and assets have been 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 has been recognised as part of the cost of acquisition of the asset or as part of an item of expense, and 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

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 is recognised in proportion to the stage of completion of the service (this includes any grant income received/receivable).

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

k. Operating Segment

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

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

l. Fair Value of Assets and Liabilities

The Branch measured 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 were 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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

I. Fair Value of Assets and Liabilities (cont'd)

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 took 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 have been 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 was not available, other valuation techniques were adopted and, where significant, detailed in the respective note to the financial statement.

m. Capitation Fees

These fees were recognised on an accruals basis, and recorded as an expense in the period to which they related.

n. Critical Accounting Estimates and Judgements

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 period ended 31 December 2018, except as stated in this report.

Key Judgements - Doubtful Debts Provision

The Board assessed each debtor and estimated no provision for doubtful debts was required except as disclosed at Note 6. The Board believes that the full amount of the remaining debtors was recoverable.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

o. New Accounting Standards for Application in Future Periods

The AASB issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which would have been relevant to the entity. The Committee of Management and CCF Board decided not to early adopt any of the new and amended pronouncements as at the date of disbandment.

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 sub-section (1), (2) and (3) of Section 272 which reads as follows: -

- (1) A Member of an organisation, or the Commissioner, Registered Organisations Commission, may apply to the organisation for specified prescribed information in relation to the organisation 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 organisation.
- (3) An organisation must comply with an application made under subsection (1)

q. Going Concern

Given the disbandment of the branch effective at 31 December 2018, the financial statements have not been prepared on a going concern basis, all assets and liabilities having been transferred to Civil Contractors Federation on that date. Rather, the financial report and in particular the assets and liabilities of the branch, prior transfer, were measured on a "liquidation" basis which reflected their recoverable values and expected settlement amounts as at the date of transfer.

The Branch has not been reliant on any agreed financial support to continue as a going concern, nor has it agreed to provide such support to ensure other branches operated as a going concern.

2. FUND ANALYSIS

For the financial period ended 31 December 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; and
- there is no balance within the general fund.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 3: REVENUE		
Operating activities:		
CMS SCIMS Income	62,839	199,541
Events/ Functions	122,796	101,428
Sponsorship	146,827	165,040
Publications	24,134	53,279
Training Fees	774,910	1,132,369
Membership	395,180	847,183
Incolink Funding	-	344,100
Interest received	16,037	14,492
Grants	391,608	289,947
Other revenue	12,645	71,478
Profit on Sale of Non-Current Assets	6,892	520
Sundry Income	-	-
Profit on disposal of assets	-	-
Capitation Fee	-	-
Affiliation Fees	-	-
Compulsory Levies	-	-
Donations > \$1,000	-	-
Donations < \$1,000	-	-
Grants > \$1,000	-	-
Grants < \$1,000	-	-
Financial Support- other Branches	-	-
Other Revenue Derived From Undertaking Recovery of Wager Activity	-	-
Total Revenue	1,953,868	3,219,377
NOTE 4: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
The operating profit/(loss) of the Branch before income tax expense has been determined after:		
a. Bad and Doubtful Debts		
Bad debts written off	-	-
Provision for doubtful debts	131,465	71,177
	131,465	71,177
b. Auditor's Remuneration		
Accounting fees – other accountants	-	-
Auditor's remuneration – Financial Statement Audit (other auditors services: \$nil (30 June 2018: \$nil))	255	9,486
	255	9,486
c. Depreciation and Amortization		
Plant and equipment	11,685	39,419
Motor vehicles	21,994	37,342
Building & Fittings	24,948	19,297
	58,627	96,058

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 4: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
d. Levy		
National office levy	59,297	88,000
The levy is imposed by the CCF National Office to assist in funding the National Office operations.		
e. Employee related		
Salaries	916,693	1,322,356
Superannuation	68,104	107,584
Employee benefits	-	58,071
Payroll tax	39,717	60,978
Redundancy payments	-	-
Training and recruitment	12,218	34,068
Other Employee Expenses	-	-
	1,036,732	1,583,057
f. Other expenses		
Publications	16,374	43,712
CMS Expenses	75,574	118,638
Events / Functions	211,086	247,898
Training Delivery Costs	66,061	110,229
Computer Expenses	8,398	27,341
Insurance Costs	1,399	15,458
Communication Expense	11,014	22,850
Motor Vehicle Expenses	47,646	52,877
Stationery, Printing and Postage	21,900	13,471
Rent	4,098	89,068
Legal Costs – Litigation	-	-
Legal Costs – Consultation (Other Matters)	-	7,269
Other Costs	215,091	503,536
Consultancy Fees	21,500	77,076
ATCP Expenses	-	102,379
Incolink – OH&S Consultant Expense	29,559	19,950
Loss on disposal of assets	-	-
Attendance Allowance / Fee – Meetings & Conferences	-	-
Donations < \$1,000	-	5,000
Donations > \$1,000	500	91
Grants < \$1,000	-	-
Grants > \$1,000	-	-
Other Compulsory Levies	-	-
Membership Subscriptions	-	-
Sponsorship	-	-
Subscriptions – Political Parties etc.	-	-
Forgiveness of Loans	-	-
Consulting Fees	-	-
Payroll Deduction Costs	-	-
Capitation Fees	-	-
Levies – Other Parties	-	-
Consideration to employers for making payroll deductions of membership subscriptions	-	-
	730,200	1,456,843

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

g. Expenses – Financial Affairs Administered by Other Entities

For the financial period ended 31 December 2018, there was \$nil incurred for any financial affairs administered by other entities (30 June 2018: \$nil).

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 5: CASH AND CASH EQUIVALENTS		
Current		
Deposit	-	4,000
Cash at bank & on deposit	-	2,800,559
	-	2,804,559

The weighted average interest rate for cash as at 31 December 2018 was 2% (30 June 2018: .2%)

NOTE 6: TRADE AND OTHER RECEIVABLES

a. Current		
Trade debtors	-	1,387,609
Less: Provision for doubtful debts	-	(71,177)
	-	1,316,432
Sundry and other debtors	-	54
	-	1,316,486

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.

Details of the trade debtors owing from related parties are outlined at Note 18f.

Sundry debtors (where recognised) are non-interest bearing and unsecured.

NOTE 7: INVENTORIES

Current

Publications on Hand – at cost	-	25,693
Cards on Hand – at cost	-	2,039
Stock Promotions – at cost	-	4,913
	-	32,645

NOTE 8: OTHER ASSETS

Current

Borrowing Costs	-	2,110
Prepayments	-	63,383
	-	65,493

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 9: PROPERTY, PLANT AND EQUIPMENT		
Motor Vehicles		
At cost	-	342,330
Accumulated depreciation	-	(88,183)
Total motor vehicles	-	254,147
Office Furniture & Equipment		
At cost	-	277,172
Accumulated depreciation	-	(112,433)
Total office furniture & equipment	-	164,739
Software		
At cost	-	55,385
Accumulated depreciation	-	(30,559)
Total software	-	24,826
CivFast System Development (1)		
At cost	-	184,646
Accumulated depreciation	-	-
Total CivFast System Development	-	184,646
Land and Buildings		
At cost	-	1,271,785
Accumulated depreciation	-	-
Total Land and Buildings	-	1,271,785
Building & Fitout		
At cost	-	906,622
Accumulated depreciation	-	(11,325)
Total Building & Fitout	-	895,297
Aircon & Electrical Equip		
At cost	-	155,145
Accumulated depreciation	-	(5,356)
Total Aircon & Electrical Equip	-	149,789
Furniture & office Equip		
At cost	-	28,470
Accumulated depreciation	-	(2,617)
Total Furniture & office Equip	-	25,853
Total property, plant and equipment	-	2,971,082

**Notes to the Financial Statements
for the Year Ended 31 December 2018 (cont'd)**

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

(1) This asset has both tangible and intangible characteristics

	Motor Vehicles	Office Furniture & Equipment	Software	CivFast System Development	Land and Buildings	Land	Building & Fitout	Aircon	Furniture & Office Equipmen t	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 30 June 2017	155,732	130,211	39,051	109,792	1,523,900	-	-	-	-	1,958,686
Additions	165,448	71,714	-	74,854	-	-	654,507	155,145	28,469	1,150,137
Transfer to new asset group	-	-	-	-	(1,523,900)	1,271,785	252,115	-	-	-
Disposals	(29,691)	(11,992)	-	-	-	-	-	-	-	(41,683)
Depreciation Expense	(37,342)	(25,194)	(14,225)	-	-	-	(11,325)	(5,356)	(2,616)	(96,058)
Carrying amount at 30 June 2018	254,147	164,739	24,826	184,646	-	1,271,785	895,297	149,789	25,853	2,971,082
Carrying amount at 30 June 2018	254,147	164,739	24,826	184,646	-	1,271,785	895,297	149,789	25,853	2,971,082
Additions	-	33,475	52,104	7,114	-	12,991	-	-	-	105,684
Disposals	(32,219)	-	-	-	-	-	-	-	-	(32,219)
Depreciation Expense	(21,994)	(7,075)	3,760	-	-	-	(22,362)	(8,370)	(2,586)	(58,627)
Transfer to CCF	(199,934)	(191,139)	(80,690)	(191,760)	-	(1,284,776)	(872,935)	(141,419)	(23,267)	(2,985,920)
Carrying amount at 31 December 2018	-	-	-	-	-	-	-	-	-	-

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 10: TRADE AND OTHER PAYABLES		
Current		
Income not yet earned	-	2,857,376
Accounts Payable	-	440,328
Other Creditors	-	46,261
Payroll Liabilities	-	848
GST Payable	-	(177)
Accrued Expenses	-	12,000
	-	<u>3,356,636</u>

b. Terms and Conditions

Deferred income related to cash receipts for membership fees, training and advertising revenue received for beyond the current reporting period and project funding received for beyond the current reporting period.

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 18f.

Non-Current

Debentures Not Repayable Within One Year	-	2,000
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NOTE 11: BORROWINGS

Current

Hire Purchase Liability	-	48,937
Less: Unexpired Hire Purchase Liability	-	(5,594)
	-	<u>43,343</u>

Westpac Business Loan (i)	-	169,244
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Total Current Borrowings

-

212,587

Non-Current

Hire Purchase Liability	-	114,165
Less Unexpired Hire Purchase Liability	-	(4,341)
	-	<u>109,824</u>

Westpac Business Loan (i)	-	1,574,559
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Total Non-Current Borrowings

-

1,684,383

(i) The facilities for this borrowing are secured by the following:

\$1,400,000 Limited Guarantee and Indemnity provided by Civil Contractors Federation ABN 41 639 349 350 supported by: Mortgage by Civil Contractors Federation over the property located at 9 Business Park Drive, Notting Hill Vic 3168.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 12: PROVISIONS		
Current		
Provision for Annual Leave	-	117,319
Provision for Long Service Leave	-	53,791
	-	171,110
Non-Current		
Provision for Long Service Leave	-	-
	-	-
Total provisions	-	171,110

- (i) Employee provisions accrue directly to employees of the Branch.
No employee entitlements were accrued in respect of officeholders (30 June 2018: \$nil)

Number of full time equivalent employees at disbandment date

	31 December 2018	30 June 2018
	20.59	19.85

Of the amounts owing, they were payable as follows: -

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	117,319	-	53,791	-	171,110
Total	-	117,319	-	53,791	-	171,110

	Separation and Redundancy Provisions		Other Employee Provisions		Total	
	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	-	-	-	-	-
Total	-	-	-	-	-	-

There were no bonuses for separation and redundancy or other provisions for officeholders or other employees (30 June 2018: \$nil), except as set out at Note 13.

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

The current portion for this provision included 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 did 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 were classified as current liabilities since the Branch did not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

CIVIL CONTRACTORS FEDERATION (VIC BRANCH)

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 12: PROVISIONS (cont'd)

The non-current portion for this provision included 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 13: EMPLOYEE BENEFITS

Employee benefits paid / accrued during the year	Elected Officials (Office holders)		Employees (other than Elected Officials)		Total	
	31/12/2018	30/06/2018	31/12/2018	30/06/2018	31/12/2018	30/06/2018
	\$	\$	\$	\$	\$	\$
Wages and Salaries	-	-	916,693	1,322,356	916,693	1,322,356
Annual Leave and Long Service Leave	-	-	-	58,071	-	58,071
Redundancy Payments	-	-	-	-	-	-
Superannuation	-	-	68,104	107,584	68,104	107,584
Other Employee Expenses	-	-	51,935	95,045	51,935	95,045
Total	-	-	1,036,732	1,583,056	1,036,732	1,583,056

There were no share based payments to officeholders or staff to period ending 31 December 2018 or 30 June 2018. There were no other employee expenses paid to 31 December 2018(30 June 2018: \$Nil).

	31 December 2018	30 June 2018
	\$	\$
NOTE 14: RESERVES		
General Reserve – Members' Debentures	2,000	2,000
Transfer to Retained Earnings	(2,000)	-
	-	2,000
NOTE 15: RETAINED EARNINGS		
Retained earnings at the beginning of the financial year	1,761,549	1,846,793
Transfer from Reserves	2,000	-
(Loss) attributable to members	(1,763,549)	(85,244)
Retained earnings at the end of the financial year	-	1,761,549

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 16: CAPITAL AND LEASING COMMITMENTS

	31 December 2018 \$	30 June 2018 \$
Hire Purchase Commitments		
Payable – Minimum Hire Purchase payments		
Not later than 12 months	-	48,937
Later than 12 months but not later than 2 years	-	114,165
Later than 2 years but not later than 5 years	-	-
Minimum Hire Purchase payments	-	163,102
Less future finance charges	-	(9,935)
Present value of minimum payments	-	153,167
*Operating Lease Commitments		
Payable – Minimum Operating Lease payments		
Not later than 12 months	-	20,078
Later than 12 months but not later than 2 years	-	36,930
Later than 2 years but not later than 5 years	-	-
Minimum Operating Lease payments	-	57,007

a. Equipment Rental

*Given the disbandment of the Branch, new lease agreements will be signed and will be payable by the Civil Contractors Federation Victoria Ltd.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 17: FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

The Branch's financial instruments consisted mainly of deposits with banks, short term investments, accounts receivable and payable, and investments in an unlisted company. The Branch did not have any derivative instruments at 31 December 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 met on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

iii. Financial Risk Exposures and Management

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

Liquidity risk

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

Interest rate risk

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

As at 31 December 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:

	31 December 2018	30 June 2018
	\$	\$
Change in profit/(loss)		
Increase in interest rate by 1%	-	10,608
Decrease in interest rate by 1%	-	(10,608)
Change in equity		
Increase in interest rate by 1%	-	10,608
Decrease in interest rate by 1%	-	(10,608)

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

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

Credit Risk Exposure

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

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

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 17: FINANCIAL RISK MANAGEMENT (cont'd)

Interest Rate Risk

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

	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 \$
31 December 2018							
Assets:							
Cash	N/A	-	-	-	-	-	-
Trade and Sundry Debtors		-	-	-	-	-	-
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	-	-
Borrowings	N/A	-	-	-	-	-	-
Net financial assets		-	-	-	-	-	-

	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 \$
30 June 2018							
Assets:							
Cash	2%	2,804,559	-	-	-	-	2,804,559
Trade and Sundry Debtors		-	-	-	-	1,381,979	1,381,979
		2,804,559	-	-	-	1,381,979	4,186,538
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	(3,358,636)	(3,358,636)
Borrowings	5.2%	(1,743,803)	(43,343)	(109,824)	-	-	(1,896,970)
		(1,743,803)	(43,343)	(109,824)	-	(3,358,636)	(5,255,606)
Net financial assets		1,060,756	(43,343)	(109,824)	-	(1,976,657)	(1,069,068)

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 Period Ended 31 December 2018 (cont'd)**

NOTE 18: RELATED PARTIES

a. VIC Branch Committee of Management

The names of the members of the VIC Committee of Management who held office during the period are as follows:

Andrew Mahar, Steve Traicevski, John Plumridge, Clifford Smith, Jay Miller, Bob Beck, Robert Trebilco and Khaled Elagha.

No officeholder received any remuneration during the period or accrued an employee entitlement.

The officeholders received no 'non cash' benefits (30 June 2018: \$nil). No officeholder of the Branch during the period and/or the prior period declared any material personal interest in a matter that he/she has or did acquire, or a relative of the officeholder has or did acquire. Personal interests and directorships are disclosed in the Operating Report.

No officeholder or officer of the Branch (this period or last period) 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 at any time during the period ended 31 December 2018:

John Kilgour CEO
 Robert Garrard General Manager Training (resigned 14 December 2018)
 Anushan Jayaratne Finance Manager
 Gavriel Berkowitz Sales & Marketing Manager

There were 20.59 full time equivalent staff at disbandment date (30 June 2018: 19.85 full time equivalent staff).

	31 December 2018			30 June 2018		
	Salaries	Super-annuation	Total	Salaries	Super-annuation	Total
c. Key Management Personnel Remuneration	\$	\$	\$	\$	\$	\$
Total Compensation	327,776	28,172	355,948	509,321	46,291	555,612

	31 December 2018			30 June 2018		
	Annual Leave	Long Service Leave	Total	Annual Leave	Long Service Leave	Total
d. Annual Leave and Long Service Leave Accrued for Key Management Personnel During the Period	\$	\$	\$	\$	\$	\$
Total Leave Provision	-	-	-	36,918	-	36,918

No termination benefits or share based payments were received, except as already disclosed in this report.

CIVIL CONTRACTORS FEDERATION (VIC BRANCH)

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

e. Transactions with National Office, Branches and Related Entities

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

	31 December 2018	30 June 2018
	\$	\$
Levy Payment		
During the year, the VIC Branch paid to the National Office a per capita payment calculated in accordance with the rules.	59,297	88,000

f. Related Party balances at 31 December 2018

Amounts receivable/(payable) at reporting date – Federal office and other branches

	31 December 2018	30 June 2018
	\$	\$
National Office	-	493
Queensland Branch	-	-
South Australia Branch	-	(1,550)
Western Australia Branch	-	-
New South Wales Branch	-	(450)
Northern Territory Branch	-	-
Tasmania Branch	-	-
	<u>-</u>	<u>(1,507)</u>

Balance Reconciliation- related entities

National Office		
Carrying amount at beginning of the year	493	(10,164)
Levy charge	(59,297)	(88,000)
Sundry charges	(1,775)	(1,433)
Sundry income	69	1,003
Receipts	(902)	(403)
Payment made	40,093	99,490
Transfer to CCF	21,319	-
Carrying amount at end of the year	<u>-</u>	<u>493</u>
Queensland Branch		
Carrying amount at beginning of the year	-	(1,740)
Sundry charges	(1,018)	(242)
Sundry income	47	400
Receipts	(47)	(400)
Payment made	1,018	1,982
Transfer to CCF	-	-
Carrying amount at end of the year	<u>-</u>	<u>-</u>
South Australia Branch		
Carrying amount at beginning of the year	(1,550)	(1,827)
Sundry charges	-	(5,775)
Sundry income	1,331	9,105
Receipts	(1,331)	(9,253)
Payment made	1,550	6,200
Transfer to CCF	-	-
Carrying amount at end of the year	<u>-</u>	<u>(1,550)</u>
Western Australia Branch		
Carrying amount at beginning of the year	-	(330)
Sundry charges	-	-
Sundry income	-	471
Receipts	-	(141)
Payment made	-	-
Transfer to CCF	-	-
Carrying amount at end of the year	<u>-</u>	<u>-</u>

CIVIL CONTRACTORS FEDERATION (VIC BRANCH)**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)****NOTE 18: RELATED PARTIES (cont'd)**

	31 December 2018 \$	30 June 2018 \$
New South Wales Branch		
Carrying amount at beginning of the year	(450)	(715)
Sundry charges	(450)	(1,500)
Sundry income	3,717	7,265
Receipts	(3,267)	(6,550)
Payment made	450	1,050
Transfer to CCF	-	-
Carrying amount at end of the year	-	(450)
Northern Territory Branch		
Carrying amount at beginning of the year	-	(83)
Sundry charges	-	-
Sundry income	-	8
Receipts	-	-
Payment made	-	75
Transfer to CCF	-	-
Carrying amount at end of the year	-	-
Tasmania Branch		
Carrying amount at beginning of the year	-	(248)
Sundry charges	(86)	(600)
Sundry income	4,445	7,989
Receipts	(4,445)	(7,966)
Payment made	86	825
Transfer to CCF	-	-
Carrying amount at end of the year	-	-

g. Transactions with National Office, Branches and Related Entities

There is no provision for doubtful debts in respect of the related party balances listed above (30 June 2018: \$nil).

The sales to and purchases from related parties were made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at 31 December 2018 were unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 31 December 2018, the Civil Contractors Federation (VIC Branch) has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (30 June 2018: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

No payments to a former related party of the Branch occurred for the period to 31 December 2018.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 19: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash on hand	-	4,000
Cash at bank & on deposit	-	2,800,559
	-	2,804,559
b. Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Operating profit / (loss) after income tax	(1,763,549)	(85,244)
Non-cash flows in profit/(loss) from ordinary activities		
- Depreciation and amortisation	58,627	96,058
- (Profit)/Loss on sale of fixed assets	(6,892)	(520)
- Loss on transfer of Net Assets to CCF	1,700,841	-
Add back: Loss on write-down of investments	-	12,500
Changes in operating assets and liabilities		
- (Increase)/Decrease in Trade & Sundry Debtors	567,144	(89,660)
- (Increase)/Decrease in Inventory	5,390	(874)
- (Increase)/Decrease in Other Assets	(24,719)	93,548
- Increase/(Decrease) in Payables	(849,656)	1,925,008
- Increase/(Decrease) in Employee Entitlements	(17,286)	44,593
Net cash provided by operating activities	(330,100)	1,995,409
c. Cash Transfer		

At disbandment date, the fair value of net assets transferred to CCF for \$nil consideration amounted to \$1.701 million (refer Note 1). Cash of \$1,751,408 was transferred to CCF as part of this transaction (refer also Note 1).

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 20: OPERATING COMMITMENTS		
Operating Lease Commitments – as lessor		
Future minimum rentals receivable under non-cancellable operating leases at 31 December 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 21: CAPITAL COMMITMENTS

At 31 December 2018, the entity has no capital commitments.

NOTE 22: EVENTS SUBSEQUENT TO BALANCE DATE

At 31 December 2018, there are no subsequent events to report.

NOTE 23: 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.

Notes to the Financial Statements for the Period Ended 31 December 2018 (cont'd)

NOTE 23: FAIR VALUE MEASUREMENT (cont'd)

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 by the Branch 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.

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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**
NOTE 23: FAIR VALUE MEASUREMENT (cont'd)

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.

Note	31 December 2018			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Available for sales assets	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

Note	30 June 2018			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Financial assets at fair value through profit or loss:	-	-	-	-
Available-for-sale financial assets:	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	2,167,082	-	2,167,082
Total non-financial assets recognised at fair value	-	2,167,082	-	2,167,082

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

Description	Fair Value at 31 December 2018 \$	Valuation Technique(s)	Inputs Used
<i>Financial assets</i>			
Financial assets at fair value through future cash flow:	-	Market approach: valuation techniques that reflect prices and other relevant information generated by market transactions for identical or similar assets	Market price per share, market borrowing date
	-		

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 23: FAIR VALUE MEASUREMENT (cont'd)

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 liability.

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 24: CONTINGENT ASSETS OR LIABILITIES

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

NOTE 25: ECONOMIC DEPENDENCY

The Branch was economically dependent on ongoing funding in the form of membership fees.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 26: OTHER ACTIVITIES

The Branch did not acquire an asset or liability during the financial period due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, and/or a determination or revocation by the General Manager, Fair Work Commission.

NOTE 27: BRANCH DETAILS

The registered office and the principal place of business of the Branch is:
Civil Contractors Federation (VIC Branch)
9 Business Park Drive
Notting Hill VIC 3168

The principal segment is member services within Victoria, Australia.

The entity is domiciled in Australia.

NOTE 28: OTHER DISCLOSURES

The Branch did not receive financial support from any other reporting unit during the year, nor provide any to other reporting units. 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 payments to employers as consideration for employers making payroll deductions for membership subscriptions at reporting date.

At 31 December 2018, there was \$nil payable in respect of legal costs – relating to 'other matters' and \$nil payable relating to legal litigation (30 June 2018: \$nil - relating to 'other matters', \$nil payable relating to litigation). No payable exists at reporting date in respect of consideration for payroll deductions of membership subscriptions (30 June 2018: \$nil).

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Civil Contractors Federation (VIC Branch), which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period ended 31 December 2018, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement and the subsection 255(2A) report.

In our opinion, paying due regard to the matter set out in the 'Going Concern Basis' paragraph below, the accompanying financial report presents fairly, in all material aspects, the financial position of Civil Contractors Federation (VIC Branch) as at 31 December 2018, and its financial performance and its cash flows for the period 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 liquidation basis of accounting – refer further below, in the preparation of the financial statements of the VIC Branch is appropriate.

Going Concern Basis

We draw attention to Note 1 in the financial report, which indicates that with effect from 31 December 2018, Civil Contractors Federation (VIC Branch) was disbanded. This occurrence has precluded the VIC Branch from operating as a 'going concern' at the end of the reporting period. The financial report has been henceforth been prepared on a 'liquidation' basis at reporting date, wherein the statement of financial position reflects the recoverable amounts of assets and estimated liability settlement amounts at that date. Our opinion is not modified in respect of this matter.

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 and the National Board of CCF are 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 and CCF National Board for the Financial Report

The Committee of Management of VIC Branch and the National Board of CCF were 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 they 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 and the National Board of CCF have been responsible for assessing VIC Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and ultimately using the liquidation basis of accounting given VIC Branch operations ceased on 31 December 2018.

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, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 and the National Board's use of the liquidation basis of accounting, based on the audit evidence obtained. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- 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 VIC 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.

Stannards Accountants and Advisors

A handwritten signature in black ink, appearing to read 'MBS', with a long horizontal stroke extending to the right.

Michael B Shulman
Partner

Melbourne, VIC
Dated: 7th May 2019

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



**CIVIL CONTRACTORS
FEDERATION**

**CIVIL CONTRACTORS FEDERATION
(WA BRANCH)**

ABN 88 811 975 001

**Financial Report
for the Period Ended
31 December 2018**

**CIVIL CONTRACTORS FEDERATION
(WA BRANCH)**

ABN 88 811 975 001

**Financial Report
for the Period Ended
31 December 2018**

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**Operating Report
for the Period Ended 31 December 2018**

The National Board of Civil Contractors Federation (CCF) presents the operating report on Civil Contractors Western Australia Branch (CCF WA) for the period ended 31 December 2018.

Principal Activities s254(2) (9a)

The principal activities of the Branch during the financial period were as follows:

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 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 (WARCMIAAG) and the WARCMIAAG Infrastructure Delivery Group respectively.
- Mr Greg Bendall represented CCF WA on Main Roads WA's Traffic Management Roadworks Advisory Group (TMRAG).
- Separate to WARCMIAAG 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.

**Operating Report
for the Period Ended 31 December 2018**

Principal activities s254(2)(a) - (cont'd)

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, and Women in Civil sundowner.
- The CCF WA Earth Awards were strongly supported and Earth Awards were presented to project winners in all six award categories.
- CCF WA's magazine the CCF WA 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.
- CCF WA's E-news, containing timely and relevant news and advice, is emailed fortnightly to all member contacts.
- Regular meetings of the Board of Management were held.
- CCF WA continued to engage extensively with the Department of Jobs, Tourism, Science and Innovation on the development of the Western Australian Industry Participation Strategy.
- CCF WA participated in the Security of Payments Reform Industry Advisory Group, conducting internal consultation with members, attending industry workshops and making written submissions.
- CCF WA's WA Infrastructure Report 2019, produced in collaboration with BIS Oxford Economics and the Construction Contractors Association, was launched at an event in November 2018.

National

- CCF WA Board Member Mr David Della Bona was the WA representative on the CCF National Board.

Results of principal activities s254(2)(a)

The Branch's principal activities resulted in a trading loss of \$119,820 for the period ended 31 December 2018, before providing for a 'significant item of expense' of \$1,849,445 (refer below) relating to the disbandment of the Branch (30 June 2018 loss: \$281,258).

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

There were no significant changes in the nature of the Branch's principal activities during the financial period, except that on 31 December 2018, the Branch was disbanded and its net assets transferred to CCF for no consideration in accordance with the approval of members and the Fair Work Commission.

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

Refer to Note 1 'Disbandment of Branch' relating to circumstances during the period which significantly affect the financial affairs of the Branch.

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 held 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
for the Period Ended 31 December 2018**

Number of Members *RO reg 159(a)*

The number of persons who, at the end of the period (prior to disbandment), were recorded on the Register of members was: 108 Members and 92 Associate Members. At the end of the previous financial year there were 116 Members and 97 Associate Members.

Number of Employees *RO reg 159(b)*

The number of persons who were, at the end of the period (prior to disbandment), employees of the Western Australia Branch of the Branch was 2.7 measured on a full-time equivalent basis.

WA Branch Board Members *reg 159(c)*

The persons who held office as members of the Board of the WA Branch during the period until its disbandment were:

Name	Position	Period
David Della Bona	President	01/07/2018 to 31/12/2018
Steve Tennant	Vice President	01/07/2018 to 31/12/2018
Stephen Pollard	Hon Treasurer	01/07/2018 to 17/09/2018
Stuart Buckby	Board Member	01/07/2018 to 31/12/2018
John Hovey	Board Member	01/07/2018 to 31/12/2018
Mike Reilly	Board Member	01/07/2018 to 31/12/2018
Timothy Ryan	Board Member	01/07/2018 to 31/12/2018
Michael Unger	Board Member	01/07/2018 to 31/12/2018

Following disbandment, the responsibility for presentation and approval of the financial report of the WA Branch rested with the National Board of CCF.

**Operating Report
for the Period Ended 31 December 2018**

Manner of resignation

Members could 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 sub-rule (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: Michael Unger, National President

Dated: 7th May 2019

**National Board Statement
for the Period Ended 31 December 2018**

On 7th May 2019 the Civil Contractors Federation National Board passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the period ended 31 December 2018:

The National Board 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 period to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit could pay its debts as and when they become due and payable prior to disbandment; and
- (e) during the period to which the GPFR relates:
 - (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.

This declaration is made in accordance with a resolution of the National Board of CCF.

Signature of designated officer:



Name and title of designated officer: Michael Unger, National President

Dated: 7th May 2019

**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 period ended 31 December 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 7th May 2019

**Expenditure Report
For the Period ended 31 December 2018**

The National Board of CCF presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the period ended 31 December 2018.

	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
CATEGORIES OF EXPENDITURE		
Remuneration and other employment-related costs and expenses - employees	252,200	621,961
Advertising	-	227
Operating Costs	409,923	806,570
Donations to Political Parties	-	-
Legal Costs	2,346	-
Total	664,469	1,428,758

Signature of designated officer:



Name and title of designated officer: Michael Unger, National President

Dated: 7th May 2019

**Statement of Profit or Loss
for the Period Ended 31 December 2018**

	Note	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
Revenues	3	546,649	1,147,500
Employee expenses	4e	(252,200)	(621,961)
Depreciation	4c	(37,229)	(23,484)
Bad and doubtful debts	4a	-	(9,310)
Accounting and audit fees	4b	(14,300)	(16,810)
Merchant fees and bank charges		(576)	(2,495)
National Levy	4d	(25,672)	(88,000)
Other National Office charges		(80)	
Functions, seminars and conference costs		(198,854)	(252,019)
Training costs		(49,497)	(199,663)
Travelling expenses		(5,728)	(18,218)
Motor Vehicle Expenses		(3,552)	(10,675)
Other expenses from ordinary activities	4f	(78,781)	(186,123)
(Loss) from ordinary activities		(119,820)	(281,258)
Significant Item of Expense		(1,849,445)	-
(Loss) from ordinary activities after Significant Item of Expense		(1,969,265)	(281,258)
Income tax expense		-	-
Net (loss) from ordinary activities after income tax expense attributable to the Federation		(1,969,265)	(281,258)

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income
for the Period Ended 31 December 2018**

	1 July 2018 - 31 December 2018 \$	1 July 2017 - 30 June 2018 \$
Surplus / (Loss) for the period	(1,969,265)	(281,258)
Other Comprehensive Income for the period – asset revaluation	-	-
Total comprehensive Income for the period	(1,969,265)	(281,258)
Total comprehensive Income attributable to members of the organisation	(1,969,265)	(281,258)

The accompanying notes form part of the financial statements

CIVIL CONTRACTORS FEDERATION (WA BRANCH)**Statement of Financial Position
as at 31 December 2018**

	Note	31 December 2018 \$	30 June 2018 \$
CURRENT ASSETS			
Cash and cash equivalents	5	-	83,433
Trade and other receivables	6	-	569,069
Inventories	7	-	22,935
Other current assets	8	-	108,119
TOTAL CURRENT ASSETS		-	783,556
NON-CURRENT ASSETS			
Plant and equipment	9	-	2,150,801
Other non-current assets	8	-	26,557
TOTAL NON-CURRENT ASSETS		-	2,177,358
TOTAL ASSETS		-	2,960,914
CURRENT LIABILITIES			
Trade and other payables	10	-	918,431
Short term provisions	11	-	73,218
TOTAL CURRENT LIABILITIES		-	991,649
TOTAL LIABILITIES		-	991,649
NET ASSETS		-	1,969,265
MEMBERS' FUNDS			
Accumulated Surplus		-	1,969,265
TOTAL MEMBERS' FUNDS		-	1,969,265

The accompanying notes form part of the financial statements

**Statement of Changes in Members' Funds
for the Period Ended 31 December 2018**

	31 December 2018	30 June 2018
	\$	\$
Balance at beginning of period	1,969,265	2,250,523
Surplus / (Loss) attributable to members	(1,969,265)	(281,258)
Balance at end of period	-	1,969,265

The accompanying notes form part of the financial statements

Statement of Cash Flow
For the Period ended 31 December 2018

	Note	31 December 2018 \$	30 June 2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		932,855	1,328,240
Receipts from related entities – National Office		-	-
Receipts from related entities – Queensland Branch		-	-
Receipts from related entities – South Australia Branch		6,093	-
Receipts from related entities – Victoria Branch		-	-
Payments to suppliers and employees		(880,316)	(1,307,133)
Payments to related entities – National Office		(51,671)	(91,313)
Payments to related entities – Queensland Branch		(9,290)	(261,038)
Payments to related entities – Victoria Branch		-	(141)
Interest received		62	537
Interest and other costs of finance		-	-
Net cash provided by operating activities	15b	(2,267)	(330,848)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		-	(4,102)
Net disposals – sale of fixed assets		5,455	37,332
Net cash (used in) investing activities		5,455	33,230
Net (decrease)/increase in cash held		3,188	(297,618)
Cash at the beginning of the financial year		83,433	381,051
Transfer of cash to CCF on disbandment of Branch		(86,621)	-
Cash at the end of the financial year	15a	-	83,433

The accompanying notes form part of these financial statements

**Notes to the Financial Statements
for the Period Ended 31 December 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. 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. Given the disbandment of the Branch effective at 31 December, 2018 – refer the note below, the financial statements have not been prepared on a going concern basis, all assets and liabilities having been transferred to Civil Contractors Federation on that date. Rather, the financial report and in particular the assets and liabilities of the branch, prior transfer, were measured on a "liquidation" basis which reflected their recoverable values and expected settlement amounts as at the date of transfer.

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) was a Federation incorporated in Western Australia under the Fair Work (Registered Organisations) Act 2009 until the date of disbandment referred to above.

Disbandment of Branch

In accordance with a resolution made by the National Board of CCF on 16 November, 2018, with effect from 31 December, 2018, CCF adopted a new constitution and rules which were certified by the Fair Work Commission. It was also resolved that effective as at 31 December, 2018, all assets, liabilities and undertakings of the branch be transferred for \$nil consideration to CCF at which point in time, the branch would be disbanded. Set out below is a summary of the assets, liabilities and undertakings transferred by the branch to CCF as at 31 December, 2018:

	\$
Cash	86,621
Inventory	22,935
Land & Buildings	1,933,973
Plant & Equipment	156,601
Trade Receivables	176,708
Other Assets	54,758
Trade and Other Payables	(563,804)
Employee Entitlements	(18,347)
Net Assets	1,849,445

On the basis that \$nil consideration was received for this transfer, an amount of \$1.849 million has been reported as a "Significant Item of Expense" in the Statement of Profit/Loss and Other Comprehensive Income.

As set out in the bases of accounting note, the Branch will no longer operate and hence is not a going concern as at the date of this financial report.

Prior Year Comparatives

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

**Notes to the Financial Statements
for the Period Ended 31 December 2018**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

Accounting Policies

a. Income Tax

The Federation is registered under the Fair Work (Registered Organisations) Act 2009 and, is believed to have been 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 included 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 was carried at cost or fair value, less, where applicable, any accumulated depreciation and impairment losses.

Cost and valuation

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

The carrying amount of plant and equipment were reviewed at each reporting date by the Board to ensure they were not in excess of the recoverable amount of those assets. The recoverable amount was 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 were measured at the lower of cost and fair value.

Depreciation

The depreciable amounts of plant and equipment were depreciated using the straight line method at rates based on their estimated useful lives commencing from the time the asset is held ready for use.

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

	31 December 2018	30 June 2018
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 were reviewed and adjusted, if appropriate, at each balance date.

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

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

**Notes to the Financial Statements
for the Period Ended 31 December 2018**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

Accounting Policies

d. Trade and other Receivables

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

The collectability of debts has been reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivable was 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 was recognised in the income statement as an expense.

e. Trade and other Payables

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

f. Financial Instruments

Financial instruments were 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 have been recognised in the Statement of Profit and Loss.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

g. Employee Benefits

Short-term employee benefits

Provision has been 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 have been 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 have been recognised as part of current trade and other payables in the statement of financial position.

Long-term employee benefits

Provision was 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. Other long-term employee benefits were 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 other long-term employee benefits were recognised in profit or loss in the periods in which the changes occur.

The Branch's obligations for long-term employee benefits were presented as non-current provisions in its statement of financial position, except where the Branch did 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 were presented as current provisions.

No provision has been 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 were 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.

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, were transferred to the Branch were classified as finance leases.

Finance leases were 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 were depreciated on a straight line basis over their estimated useful lives where it is likely that the Branch would obtain ownership of the asset over the term of the lease. Lease payments were allocated between the reduction of the lease liability and the lease interest expense for the period.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

h. Leases (cont'd)

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

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

i. Goods and Services Tax (GST)

Revenues, expenses and assets have been 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 has been recognised as part of the cost of acquisition of the asset or as part of an item of expense, and 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

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 is recognised in proportion to the stage of completion of the service (this includes any grant income received/receivable).

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

k. Operating Segment

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

The Branch operated predominantly in one business and geographical segment, being a representative body of civil engineering contractors in WA 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 WA Australia.

l. Fair Value of Assets and Liabilities

The Branch measured 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 were 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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

I. Fair Value of Assets and Liabilities (cont'd)

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 took 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 have been 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 was not available, other valuation techniques were adopted and, where significant, detailed in the respective note to the financial statement.

m. Capitation Fees

These fees were recognised on an accruals basis, and recorded as an expense in the period to which they related.

n. Critical Accounting Estimates and Judgements

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 period ended 31 December 2018, except as stated in this report.

Key Judgements - Doubtful Debts Provision

The Board assessed each debtor and estimated no provision for doubtful debts was required except as disclosed at Note 6. The Board believes that the full amount of the remaining debtors was recoverable.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

o. New Accounting Standards for Application in Future Periods

The AASB issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which would have been relevant to the entity. The Committee of Management and CCF Board decided not to early adopt any of the new and amended pronouncements as at the date of disbandment.

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).

q. Going Concern

Given the disbandment of the branch effective at 31 December 2018, the financial statements have not been prepared on a going concern basis, all assets and liabilities having been transferred to Civil Contractors Federation on that date. Rather, the financial report and in particular the assets and liabilities of the branch, prior transfer, were measured on a "liquidation" basis which reflected their recoverable values and expected settlement amounts as at the date of transfer.

The Branch has not been reliant on any agreed financial support to continue as a going concern, nor has it agreed to provide such support to ensure other branches operated as a going concern.

2. FUND ANALYSIS

For the financial period ended 31 December 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; and
- there is no balance within the general fund.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 3: REVENUE		
Operating activities:		
Membership Subscriptions	239,928	547,094
Functions	110,468	161,935
Interest Received	62	537
Training	4,785	153,477
Sponsorships	136,421	169,312
Publications	42,966	106,081
IMS and SCIMS	7,573	7,647
Other Income	4,446	1,417
Sundry Income	-	-
Profit on disposal of assets	-	-
Capitation Fee	-	-
Affiliation Fees	-	-
Compulsory Levies	-	-
Donations > \$1,000	-	-
Donations < \$1,000	-	-
Grants > \$1,000	-	-
Grants < \$1,000	-	-
Financial Support- other Branches	-	-
Other Revenue Derived From Undertaking Recovery of Wager Activity	-	-
Total Revenue	546,649	1,147,500
NOTE 4: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
The operating profit/(loss) of the Branch before income tax expense has been determined after:		
a. Bad and Doubtful Debts		
Bad debts written off	-	(370)
Provision for doubtful debts	-	9,680
	-	9,310
b. Auditor's Remuneration		
Accounting fees – other accountants	12,300	13,460
Auditor's remuneration – Financial Statement Audit (other auditors services: \$nil (30 June 2018: \$nil))	2,000	3,350
	14,300	16,810
c. Depreciation and Amortisation		
Plant and equipment and Website	36,753	23,484
Motor vehicles	476	-
	37,229	23,484

CIVIL CONTRACTORS FEDERATION (WA BRANCH)

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 4: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
d. Levy		
National office levy	25,672	88,000
The levy is imposed by the CCF National Office to assist in funding the National Office operations.		
e. Employee related		
Salaries	263,397	536,062
Superannuation	25,023	50,101
Employee benefits (annual leave and long service leave)	(54,872)	(774)
Separation and redundancies	-	2,942
Payroll tax	18,197	30,650
Training and recruitment	455	2,980
Other employee expenses	-	-
	252,200	621,961
f. Other expenses		
Meeting expenses	-	(165)
Postage	1,679	2,140
Communication expenses	8,962	20,271
Stationery	5,702	18,629
Insurance expenses	4,638	13,094
Cleaning expenses	6,074	8,776
Electricity, Gas and Water	7,126	23,792
Repairs & Maintenance	5,177	8,239
Legal costs – Litigation	-	-
Legal costs – Consultation (Other Matters)	2,346	-
Subscriptions	513	16,138
Penalties – via RO Act or Regulations	-	942
License Fees	-	5,175
Affiliation Fees	-	-
Loss on disposal of assets	17,543	6,018
Attendance Allowance / Fee – Meetings & Conferences	-	-
Donations < \$1,000	-	-
Donations > \$1,000	-	-
Grants < \$1,000	-	-
Grants > \$1,000	-	-
Other Compulsory Levies	-	-
Membership Subscriptions	-	-
Sponsorship	-	-
Subscriptions – Political Parties etc.	-	-
Forgiveness of Loans	-	-
Consulting Fees	-	-
Payroll Deduction Costs	-	-
Capitation Fees	-	-
Levies – Other Parties	-	-
Consideration to employers for making payroll deductions of membership subscriptions	-	-
Other / Sundry	19,021	63,074
	78,781	186,123

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

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

g. Expenses – Financial Affairs Administered by Other Entities

For the period ended 31 December 2018, external costs paid to KPMG were incurred relating to accounting and bookkeeping to CCF WA.

Monthly invoicing occurs for this service. For the period ended 31 December 2018, a total of \$12,300 was incurred to this entity on a commercial basis.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 5: CASH AND CASH EQUIVALENTS		
Current		
Cash on hand	-	136
Cash at bank	-	83,297
	-	<u>83,433</u>

The weighted average interest rate for cash as at 31 December 2018 was 0.4% (30 June 2018: .05%)

NOTE 6: TRADE AND OTHER RECEIVABLES

a. Current

Trade debtors	-	578,749
Less: Provision for doubtful debts	-	(9,680)
	-	<u>569,069</u>
Sundry and other debtors	-	-
	-	<u>569,069</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.

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	-	-
National Training Resource Unit Stock	-	22,935
	-	<u>22,935</u>

NOTE 8: OTHER ASSETS

Current

Prepayments	-	108,119
	-	<u>108,119</u>

Non Current

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

a. Other Current and Non-Current Assets

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

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 9: PLANT AND EQUIPMENT		
Motor vehicles – at cost	-	61,420
Less: Accumulated depreciation	-	(48,643)
	-	12,777
Plant and equipment – at cost	-	825,368
Less: Accumulated depreciation	-	(635,670)
	-	189,698
Land – at cost	-	843,229
Buildings (Skills Centre) – at cost	-	1,291,255
Less: Accumulated depreciation	-	(186,158)
	-	1,105,097
Total plant and equipment – net book value	-	2,150,801
Reconciliation of movements in plant and equipment		
Motor vehicles – at cost		
Carrying amount at beginning of the year	12,777	56,608
Disposals	(11,903)	(42,592)
Depreciation expense	(476)	(1,239)
Transfer to CCF	(398)	-
Carrying amount at end of the year	-	12,777
Plant and equipment		
Carrying amount at beginning of the year	189,698	204,215
Disposals	(11,096)	(758)
Depreciation expense	(22,399)	(13,759)
Transfer to CCF	(156,203)	-
Carrying amount at end of the year	-	189,698
Land		
Carrying amount at beginning of the year	843,229	843,229
Transfer to CCF	(843,229)	-
Carrying amount at end of the year	-	843,229
Buildings		
Carrying amount at beginning of the year	1,105,097	1,109,481
Transfer from other assets	-	4,102
Depreciation expense	(14,354)	(8,486)
Transfer to CCF	(1,090,743)	-
Carrying amount at end of the year	-	1,105,097
Total	-	2,150,801

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 10: TRADE AND OTHER PAYABLES		
a. Current		
Deferred income	-	664,413
Trade creditors	-	187,909
Sundry creditors and accruals	-	66,109
	-	918,431

b. Terms and Conditions

Deferred income related to cash receipts for membership fees, training and advertising revenue received for beyond the current reporting period and project funding received for beyond the current reporting period.

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

a. Current

Provisions for annual leave – staff	-	39,484
Provisions for long service leave – staff	-	33,734
	-	73,218

b. Number of employees at year-end (full time equivalent)

2.7	4
-----	---

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

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	39,484	-	33,734	-	73,218
Total	-	39,484	-	33,734	-	73,218

	Separation and Redundancy Provisions		Other Employee Provisions		Total	
	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$	31/12/18 \$	30/06/18 \$
Officeholders	-	-	-	-	-	-
Other Staff	-	-	-	-	-	-
Total	-	-	-	-	-	-

There were no bonuses for separation and redundancy or other provisions for officeholders or other employees (30 June 2018: \$nil), except as set out at Note 14.

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

The current portion for this provision included 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 did 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 were classified as current liabilities since the Branch did not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 11: PROVISIONS (cont'd)

The non-current portion for this provision included 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	
	31/12/2018	30/06/2018	31/12/2018	30/06/2018	31/12/2018	30/06/2018
Employee benefits paid / accrued during the year	\$	\$	\$	\$	\$	\$
Wages and Salaries	-	-	263,397	536,062	263,397	536,062
Annual Leave and Long Service Leave	-	-	(54,872)	(774)	(54,872)	(774)
Redundancy Payments	-	-	-	2,942	-	2,942
Superannuation	-	-	25,023	50,101	25,023	50,101
Other Employee Expenses	-	-	18,652	33,630	18,652	33,630
Total	-	-	252,200	621,961	252,200	621,961

There were no share based payments to officeholders or staff to period ending 31 December 2018 or 30 June 2018. There were no other employee expenses paid to 31 December 2018(30 June 2018: \$Nil).

NOTE 13: FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

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

The Branch did not have any derivative instruments at 31 December 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 met 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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 13: FINANCIAL RISK MANAGEMENT (cont'd)

iii. Financial Risk Exposures and Management

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

Liquidity risk

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

Interest rate risk

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

As at 31 December 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:

	31 December 2018 \$	30 June 2018 \$
Change in profit/(loss)		
Increase in interest rate by 1%	-	833
Decrease in interest rate by 1%	-	(833)
Change in equity		
Increase in interest rate by 1%	-	833
Decrease in interest rate by 1%	-	(833)

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

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

Credit Risk Exposure

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

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

Interest Rate Risk

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

	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
		\$	\$	\$	\$	\$	\$
31 December 2018							
Assets:							
Cash	N/A	-	-	-	-	-	-
Trade and Sundry Debtors		-	-	-	-	-	-
		-	-	-	-	-	-
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	-	-
Borrowings	N/A	-	-	-	-	-	-
		-	-	-	-	-	-
Net financial assets		-	-	-	-	-	-

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 13: FINANCIAL RISK MANAGEMENT (cont'd)

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	1 year or less \$	Fixed Interest Rate Maturities			Total \$
				1 to 5 years \$	Over 5 years \$	Non Interest Bearing \$	
30 June 2018							
Assets:							
Cash	.05%	83,297	-	-	-	136	83,433
Trade and Sundry Debtors			-	-	-	569,069	569,069
		83,297	-	-	-	569,205	652,502
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	(918,431)	(918,431)
		-	-	-	-	(918,431)	(918,431)
Net financial assets		83,297	-	-	-	(349,226)	(265,929)

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 Period Ended 31 December 2018 (cont'd)**

NOTE 14: RELATED PARTIES

a. WA Branch Committee of Management

The names of the members of the WA Committee of Management who held office during the period are as follows:

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

No officeholder received any remuneration during the period or accrued an employee entitlement.

The officeholders received no 'non cash' benefits (30 June 2018: \$nil). No officeholder of the Branch during the period and/or the prior period declared any material personal interest in a matter that he/she has or did acquire, or a relative of the officeholder has or did acquire. Personal interests and directorships are disclosed in the Operating Report.

No officeholder or officer of the Branch (this period or last period) 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 at any time during the period ended 31 December 2018:

Jeff Miller -Chief Executive Officer (Terminated 10 August 2018)

Andy Graham Chief Executive Officer (Commenced 11 August 2018)

There were 2.7 full time equivalent staff at disbandment date (30 June 2018: 4 full time equivalent staff).

	31 December 2018			30 June 2018		
	Salaries	Super-annuation	Total	Salaries	Super-annuation	Total
c. Key Management Personnel Remuneration	\$	\$	\$	\$	\$	\$
Total Compensation	199,668	18,969	218,637	245,868	23,330	269,198

	31 December 2018			30 June 2018		
	Annual Leave	Long Service Leave	Total	Annual Leave	Long Service Leave	Total
d. Annual Leave and Long Service Leave Accrued for Key Management Personnel During the Period	\$	\$	\$	\$	\$	\$
Total Leave Provision	-	-	-	22,592	37,053	59,645

\$Nil bonuses were payable to key management personnel at 31 December 2018 (30 June 2018: \$nil).

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (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 period on the same commercial terms and conditions offered to all other members.

Levy Payment	31 December 2018	30 June 2018
	\$	\$
During the period, the WA Branch paid a National capitation levy calculated in accordance with the rules.	25,672	88,000

f. Related Party balances at 31 December 2018

Unsecured and interest free amounts receivable/(payable) at reporting date	31 December 2018	30 June 2018
	\$	\$
National Office	-	(29,435)
Queensland Branch	-	(79,084)
Victoria Branch	-	-
South Australia Branch	-	-
	-	(108,519)
Reconciliation- related entity loans		
National Office		
Carrying amount at beginning of the year	(29,435)	(35,026)
Levy charged	(25,672)	(88,000)
Sundry charges	(80)	-
Sundry income	-	2,278
Receipts	-	-
Payments made	51,671	91,313
Transfer	3,516	-
Carrying amount at end of the year	-	(29,435)
Queensland Branch		
Carrying amount at beginning of the year	(79,084)	(221,623)
Sundry charges	(4,500)	(118,499)
Sundry income	-	-
Receipts	-	-
Payments made	9,290	261,038
Transfer	74,294	-
Carrying amount at end of the year	-	(79,084)
Victoria Branch		
Carrying amount at beginning of the year	-	330
Sundry income	-	-
Sundry charges	-	(471)
Receipts	-	-
Payment made	-	141
Transfer	-	-
Carrying amount at end of the year	-	-
South Australia Branch		
Carrying amount at beginning of the year	-	-
Sundry charges	(14,269)	-
Sundry income	6,093	-
Receipts	(6,093)	-
Payment made	-	-
Transfer	14,269	-
Carrying amount at end of the year	-	-

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

e. Transactions with National Office, Branches and Related Entities

There is no provision for doubtful debts in respect of the related party balances listed above (30 June 2018: \$nil).

The sales to and purchases from related parties were made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at 31 December 2018 were unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 31 December 2018, the Civil Contractors Federation (WA Branch) has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (30 June 2018: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

No other payments to a former related party of the Branch occurred for the period to 31 December 2018.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 15: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash on hand	-	136
Cash at bank	-	83,297
	-	83,433
b. Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Operating profit / (loss) after income tax	(1,969,265)	(281,258)
Non-cash flows in profit/(loss) from ordinary activities		
- Depreciation and amortisation	37,229	23,484
- (Profit)/Loss on sale of fixed assets	17,543	6,018
- Loss on transfer of Net Assets to CCF	1,849,445	-
Changes in operating assets and liabilities		
Decrease/(Increase) in receivables	392,361	175,259
Decrease/(Increase) in inventories	-	(11,978)
Decrease/(Increase) in other assets	79,918	(23,452)
(Decrease)/Increase in payables and other creditors	(354,627)	(218,147)
(Decrease)/Increase in provisions	(54,871)	(774)
Net cash provided by operating activities	(2,267)	(330,848)
c. Cash Transfer		

At disbandment date, the fair value of net assets transferred to CCF for \$nil consideration amounted to \$1.849 million (refer Note 1). Cash of \$86,621 was transferred to CCF as part of this transaction (refer also Note 1).

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

	31 December 2018 \$	30 June 2018 \$
NOTE 16: OPERATING COMMITMENTS		
Operating Lease Commitments – as lessee		
*Future minimum rentals payable under non-cancellable operating leases at 31 December 2018 are:		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
- Within one year	-	13,862
- After one year but not more than five years	-	17,298
- More than five years	-	-
	-	31,160
Operating Lease Commitments – as lessor		
Future minimum rentals receivable under non-cancellable operating leases at 31 December 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	-	-
	-	-

a. Office Rental

*Given the disbandment of the Branch, new lease agreements will be signed and will be payable by the Civil Contractors Federation (Western Australia) Ltd.

NOTE 17: CAPITAL COMMITMENTS

At 31 December 2018, the entity has no capital commitments.

NOTE 18: EVENTS SUBSEQUENT TO BALANCE DATE

At 31 December 2018, there are no subsequent events to report.

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.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 19: FAIR VALUE MEASUREMENT (cont'd)

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 by the Branch 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.

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.

Notes to the Financial Statements for the Period Ended 31 December 2018 (cont'd)

NOTE 19: FAIR VALUE MEASUREMENT (cont'd)

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.

Note	31 December 2018			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Available for sales assets	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

Note	30 June 2018			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements				
<i>Financial assets</i>				
Available for sales assets	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	1,948,326	-	1,948,326
Total non-financial assets recognised at fair value	-	1,948,326	-	1,948,326

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

Description	Fair Value at 31 December 2018 \$	Valuation Technique(s)	Inputs Used
<i>Financial assets</i>			
Financial assets at fair value through future cash flow:	-	Market approach: valuation techniques that reflect prices and other relevant information generated by market transactions for identical or similar assets	Market price per share, market borrowing date
	-		

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 19: FAIR VALUE MEASUREMENT (cont'd)

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 liability.

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: CONTINGENT ASSETS OR LIABILITIES

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

NOTE 21: ECONOMIC DEPENDENCY

The Branch was economically dependent on ongoing funding in the form of membership fees.

NOTE 22: OTHER DISCLOSURES

The Branch did not receive or provide any financial support from/(to) any other reporting unit during the period.

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.

At 31 December 2018 (prior to disbandment), there was \$2,581 payable in respect of legal costs – relating to ‘other matters’ and \$nil payable relating to legal litigation (30 June 2018: \$7,722 - relating to ‘other matters’, \$nil payable relating to litigation). No payable exists at reporting date in respect of consideration for payroll deductions of membership subscriptions (30 June 2018: \$nil).

No payments were made during the reporting period (30 June 2018: \$nil) to former related parties of the Branch.

**Notes to the Financial Statements
for the Period Ended 31 December 2018 (cont'd)**

NOTE 23: OTHER ACTIVITIES

The Branch did not acquire an asset or liability during the financial period due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, and/or a determination or revocation by the General Manager, Fair Work Commission.

NOTE 24: BRANCH DETAILS

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

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Civil Contractors Federation (WA Branch), which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period ended 31 December 2018, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement and the subsection 255(2A) report.

In our opinion, paying due regard to the matter set out in the 'Going Concern Basis' paragraph below, the accompanying financial report presents fairly, in all material aspects, the financial position of Civil Contractors Federation (WA Branch) as at 31 December 2018, and its financial performance and its cash flows for the period 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 liquidation basis of accounting – refer further below, in the preparation of the financial statements of the WA Branch is appropriate.

Going Concern Basis

We draw attention to Note 1 in the financial report, which indicates that with effect from 31 December 2018, Civil Contractors Federation (WA Branch) was disbanded. This occurrence has precluded the WA Branch from operating as a 'going concern' at the end of the reporting period. The financial report has been henceforth been prepared on a 'liquidation' basis at reporting date, wherein the statement of financial position reflects the recoverable amounts of assets and estimated liability settlement amounts at that date. Our opinion is not modified in respect of this matter.

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 and the National Board of CCF are 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 and CCF National Board for the Financial Report

The Committee of Management of WA Branch and the National Board of CCF were 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 they 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 and the National Board of CCF have been responsible for assessing WA Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and ultimately using the liquidation basis of accounting given WA Branch operations ceased on 31 December 2018.

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, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 and the National Board's use of the liquidation basis of accounting, based on the audit evidence obtained. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- 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.

Stannards Accountants and Advisors

A handwritten signature in black ink, appearing to read 'MBS', with a long horizontal stroke extending to the right.

Michael B Shulman
Partner

Melbourne, VIC
Dated: 7th May 2019

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

6 NEXT MEETING

May 2019	Teleconference Teleconference	7 th May 10.00am 7 th May 10.30am	<ul style="list-style-type: none"> ▪ CCF National Board
June 2019	Canberra, Venue TBA	6 th June 7 th June 7 th June	<ul style="list-style-type: none"> ▪ Audit & Risk Committee ▪ Policy Council Meeting ▪ CCF / CCFA Board Meeting
Sept 2019	Canberra, Venue TBA	19 th September 20 th September	<ul style="list-style-type: none"> ▪ Audit & Risk Committee ▪ CCF / CCFA Board Meeting
November 2019	Canberra, Venue TBA	22 nd November	<ul style="list-style-type: none"> ▪ CCF / CCFA Board Meeting ▪ CCF / CCFA AGM ▪ National Earth Awards Gala Dinner