



CIVIL CONTRACTORS
FEDERATION

THE *voice*
OF THE INDUSTRY

CIVIL CONTRACTORS FEDERATION NSW LTD

ANNUAL REPORT 2018-2019

ABN 45 619 501 754

2018-19 President's Report

On behalf of the CCF NSW Board, I present to you the 2018/19 Annual Report.

With the restructure of the Civil Contractors Federation taking effect on 31 December 2018, this report technically only covers the new CCF NSW Ltd, which commenced service thereafter.

The restructure was an important and necessary administrative change but the operations of CCF NSW continued unabated through the whole 12 months of the year. As such, I will cover in these comments the performance of the branch over the full twelve months.

This does not mean to diminish the effort it took for the restructure to take place on time. The period after the 15 November 2018 Special General Meeting of CCF Members, which ratified 31 December as the changeover date, was an extremely busy period for the staff. It is a great credit to the team that NSW succeeded fully in achieving the deadline. An independent audit confirmed NSW's extraordinary task was properly completed on 31 December.



The Results

I am very pleased to report that the CCF NSW team have provided another excellent result this year.

The financial accounts correctly indicate the transfer of \$1,535,419 that occurred on the 1st January from CCF NSW to the new CCF NSW Ltd. They also show a profit result in this half of the year of \$103,475. Combined with the result of \$204,682 that was realised in the first half of the year, this gives our operations profit for the full year of \$308,157. This is very good but, as an industry representative organisation, it is not making a profit that counts but the financial security created by this result.

Such results allow CCF NSW to maintain services and look at how those services can be expanded for the long-term benefit of industry and Members. For example, we supported the development of the Institute of Civil Infrastructure – a body whose purpose is to provide to the industry support in the ongoing development of management and leadership skills in our supervisors and managers. Launched on 2 February over 500 bookings were taken in the first five months – we are forging a new path for the industry.

The Board's strategic focus for CCF NSW is to sustainably support the industry. The team do this by fearlessly advocating on behalf of the industry and by delivering services for the industry, including Members. In this year CCF NSW has continued to do both extremely well.

During the 12 months leading up to the New South Wales election in March 2018 we presented industry's concerns and recommendations to both prospective governments. Our plain English policy platform **A Dozen Do's to Construct NSW's Future** was released in April 2018 following extensive industry input. The results were exceptional and I say with confidence that our voice was heard, and significant policy impact was achieved during the election process.

In CCF NSW the industry truly has a very strong voice that gets our message heard. The CCF NSW continues to present the concerns and recommendations of industry and our Members.

That's is not to say that the industry is not suffering difficulties. Indeed, there are some serious structural and procedural problems with procurement. What CCF NSW has done however is to take the approach of not only critiquing the status quo, but always offering industry generated solutions. The three 'Future Series' conferences undertaken in May on Procurement & Contracts, Health & Safety, and People & Skills reflect our pursuit of answers to the problems we have today, and will have tomorrow.

The industry is I believe seeing the good work we are doing and the value of our service. Despite the incredibly tight margins that still characterise the NSW civil industry, we have seen our net Membership grow by over 3% this year, resulting in 10% growth over the last 2-year period. I am very pleased to see our regional numbers are also growing and I think that has been in no small part as a result of having the regional voice of Rex Wilson on our board in recent years.

Moving Forward

In short, CCF NSW is supporting our Members and advocating for the industry. It is an organisation constantly looking for ways to improve and add more value for Members. Once again, significant investment is being made to provide the *next* round of service announcements. These new programs, I am happy to say, are not being funded from large increases in Membership Fees - in the past five years Membership fees have risen only 7%.

All that has been achieved by CCF NSW this year has been achieved through the hard work of a small and diligent team led by David Castledine. It is a team that we as Members can be sure we are always represented in a professional manner. The Board of CCF NSW has thanked the team on behalf of the Members for what has been achieved this year.

One of the changes that has come about as a result of the restructure is the reduction of the CCF board size from having 14 members historically to now having 7 board members. That change is in line with industry best practice for effective boards. It has resulted in several long-term board members retiring and on behalf of CCF I would like to thank all retiring board members. I would particularly like to thank Mark Schultz, Glenn Fordham, Robert Antoun and Tom Brady for their many years of service to CCF and the industry.

Now that the restructure has been completed, I have also taken the opportunity to stand down as President myself after 5 years in the role. I had 6 years as Vice-President to John Wade prior to becoming President and was concurrently the NSW National Board member with CCF National for the 6 years prior to last year. It is time for fresh ideas. I have had a very capable executive this year comprising Michael Fitzgerald, Kim Liddell and Lee Fahey so I know I am leaving CCF NSW in very good hands, confident that it will continue to grow and improve.

I have enjoyed my time with CCF, it is a valuable and highly respected industry body made up of very good people. I am leaving happy that CCF NSW is in a much secure position financially, providing a wider range of industry support services and is a more highly regarded industry advocate by government than it was when I joined the board 15 years ago.

On behalf of the Board of CCF NSW, I commend to you the 2018/19 Annual Report of the NSW Branch.



Mick Boyle
President
Civil Contractors Federation NSW Ltd

2018-19 CEO's Report

Welcome to the 2019 Annual Report of the operations of the Civil Contractors Federation New South Wales Ltd. As President Mick Boyle has said in his earlier remarks, I am pleased to say that CCF NSW has again performed very strongly.

Financial Performance

The financial result for the year was excellent, and was achieved largely through improved Membership retention, increased sponsorship and event revenues, and very careful expense management.

Most importantly, at the continued direction of the Board, these profits are being **invested** in developing the next raft of services for the industry. That is the mantra of CCF NSW: prudent financial management so that it's possible to provide the resources industry needs - growth that ensues funding of the next investment.



Growth through Service

I am pleased to report that the CCF NSW family of Members continues to grow, with an increase in membership of 3.3% this past year taking our growth over the past two years to 10% - a performance difficult to find in most employer bodies. I am particularly delighted that this performance is underpinned by solid retention rates – obviously reflecting an appreciation of the service offered.

This growth is all the more impressive given this has been perhaps the most difficult year for civil contractors in five. The drought; state and federal elections within three months disrupting workflow; some of the industry's biggest customers (Transport NSW and RMS) announcing a restructure; considerable contraction in new housing demand; and a less than anticipated growth in civil work outside the state, have compounded to force competition to new levels, and consequently contractor margins, to even tighter levels.

These are difficult times for the industry, and they are placing even more responsibility on CCF NSW to be representing the industry with strength.

Providing for the Industry

Supporting industry is what we do; it's all we do. We exist to make your lives easier.

No one should forget that CCF NSW is the only body in that represents all and only the civil industry. We are not skewed by large or small interests. We are not compromised by other sectors in the construction industry. We represent only civil contractors, and every employer - no matter how large or small; regional or metro - gets one vote in our policy settings. *This reflects our remit: to fearless represent and support the industry.*

In ample readiness for the March 2019 NSW election we released in April 2018 our industry developed policy position **A Dozen Do's to Construct NSW's Future**. It set out clearly and succinctly CCF NSW's recommendations on the major issues industry said they were facing.

For 12 months leading into the election we consistently and fearlessly placed this before parliamentarians, and the potential NSW governments. Our results were excellent, but we have much more work to do to ensure follow-through happens. When talking of advocacy, there is no such friend as 'rest'; just the enemy 'complacency'.

An Eye to the Future

In response to industry's concerns over creating the next generation of supervisors and managers, we have for several years been constructing a continual learning program that will, for the first time, give all in the industry access to civil specific management training.

It is a program that offers flexibility of choice in short learning (2-4 hours), but also sets management standards for industry. 99.1% of Members in our survey responded that they needed this for their business, and wanted industry to construct the solution.

This year the **Institute of Civil Infrastructure** launched. As a major customer of the industry, the NSW Government saw how important this step was and has supported its expansion.

Connecting People

Our Women in Civil program continues to set the benchmark for how such programs should be run - substantive content with real connective value. Our goal is to create a spark and let the fire burn. And it's happening, as Asha Russell of Sage Civil showed when, to promote the Program, she painted a dozer and emblazoned the *CCF NSW Women in Civil* logo over it.

Our events, so important for connecting our family of industry Members, continue to reach new heights. People Awards, State of the State, and Earth Awards, all had record attendances in the 2019 year. We are a people industry, and the CCF NSW events provide a great opportunity to build relationships.

Governance

Governance is an area both the Board and I are particularly focused on. Two audits were conducted this year, one to conclude the CCF NSW Branch activity on 31 December 2018, the other to conclude the financial year for 2019. Both highlighted the strong performance team.

As President Boyle said in his remarks earlier, the effort to achieve the restructure in 45 calendar days for 31 December was not inconsequential, but the Board said make it happen; I asked the incredible team here to achieve it; and they responded wonderfully.

Contribution in-Kind, given with Kindness

It would not be possible for CCF NSW to achieve what it does without the incredible support of our partner **Sponsors** and **Associates**. I want all to know that their support extends far deeper than the financial assistance they provide (although we appreciate that too).

As I have come to see on display so very often, the wonderful humans within those organisations genuinely care about the industry. They are experts in their fields and are deeply connected to what is happening, and why, in the industry. Consequently, I spend a great deal of time talking to them to seek input on policy and advocacy positions.

Let me say unequivocally and without any reservation, our **Sponsors** and **Associates** ALWAYS help when I ask, and they DON'T ask for anything in return - such is the caliber of this incredibly supportive group. Thank you.

To our family of Members

I say this often *"Being a Member of CCF NSW is a choice"*. At CCF NSW we are so appreciative of that choice being made, and very respectful of the trust that is implicitly gifted with that decision.

Our sole purpose is to support and give resources to the industry. To protect the industry; to help grow it; and to give it a voice it would otherwise never have as individual employers. We exist to make your lives easier.

We are constantly striving to improve what we do for you, so please let me know if there is some way you think we can.

Thank you, every single one of you out there, for being part of our family of Members. It is a pleasure to serve.

On behalf of the management team of CCF NSW, I commend to you the 2019 Annual Report of the CCF NSW Branch.



David Castledine
Chief Executive Officer & Company Secretary
Civil Contractors Federation NSW Ltd



**CIVIL CONTRACTORS
FEDERATION
NSW LTD**

**FINANCIAL REPORT
FOR YEAR ENDED 30
JUNE 2019**

ABN 45 619 501 754

Directors' Report for the Period Ended 30 June 2019

Your directors present this report on the entity for the financial year ended 30 June 2019.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Mr Mick Boyle	Mr Michael Fitzgerald	Mr Glenn Fordham
Mr Stephen Cherrie	Mr Lee Fahey	Mr John Wade
Mr Paul Wise	Mr Mark Schultz	Mr Edward Wilson (1/1/19 – 26/5/19)
Ms Kim Liddell	Ms Julia Ward	Mr Thomas Brady (1/1/19 – 26/5/19)
Mr Robert Antoun	Ms Gladys Woods (appointed 29/1/19)	

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

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

The Company 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 Company represented the industry at all levels of Government and advocated relating to civil construction and maintenance and business trade, from 1 January 2019 when it commenced actively trading.

Short-term and Long-term Objectives

The entity's short-term objective is:

- providing services and advice within New South Wales.

The entity's long-term objective is:

- representing the industry as a peak employer body.

Strategies

To achieve its stated objectives, the entity has adopted the following strategies:

- the entity strives to attract and retain quality staff who are committed to working with the Company. The directors consider that attracting and retaining quality staff are essential for the entity to continue providing the services that it does, and critical to it achieving all of its short-term and long-term objectives.
- the entity establishes and fosters working partnerships with a range of community stakeholders and government.
- the entity is committed to maintaining existing programs and creating new programs that support all members of the industry.
- the entity sets its staff standards of best practice and provides clear expectations of their professional accountabilities and responsibilities to all stakeholders.

Directors' Report for the Period Ended 30 June 2019

New accounting standards implemented

The entity has implemented AASB 9: Financial Instruments, which has come into effect and is included in the results.

Key performance measures

The entity measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the entity and whether the entity's short-term and long-term objectives are being achieved. Such measures are reviewed by the directors annually.

Results of principal activities

The Company's principal activities resulted in a trading profit of \$103,474 for the period ended 30 June 2019, before a 'significant item of income of \$1,535,419 (refer below) relating to the transfer of net assets from CCF on 1 January 2019.

Significant changes in nature of principal activities

There were no significant changes in the nature of the Company's principal activities during the financial period, except that on 1 January 2019, the former CCF NSW Branch was disbanded and its net assets effectively transferred to CCF (National) and subsequently to the Company for no consideration, in accordance with the approval of members and the Fair Work Commission.

The entity is incorporated under the *Corporations Act. 2001* and is a company limited by guarantee. If the entity is wound up, the constitution states that each Contractor member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity.

Auditor's Independent Declaration

The lead auditor's independence declaration for the year 30 June 2019 has been received and can be found on the following page of this financial report.

The directors' report is signed in accordance with a resolution of the Board of Directors.

Director




Dated this 22nd day of August 2019



**AUDITOR'S INDEPENDENCE DECLARATION
TO THE BOARD OF CCF (NSW) LTD**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2019 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)

Dated 22/8/19

Partners

Marino Angelini, CA
Michael Shulman, CA
Nello Traficante, CPA
Jason Wall, CA
Peter Angelini, CA
Nick Jeans, CPA

**Statement of Profit or Loss
for the Period Ended 30 June 2019**

	Note	1 July 2018 - 30 June 2019 \$	16 June 2017 - 30 June 2018 \$
Revenues	2	1,824,912	-
Employee expenses	3f	462,847	-
Depreciation and amortisation	3d	41,118	-
Bad debts	3a	-	-
National Levy	3e	57,498	-
Rental expenses	3c	55,933	-
Functions, seminars and conference costs		261,358	-
Travelling expenses		36,799	-
Project costs (ITAB, SafeWork and Women in Civil Project)		246,679	-
Individual Program Costs		93,010	-
Stream One Project Costs		57,881	-
Steam Two Project Costs		193,328	-
CCF Bulletin and Year Book expenses		21,106	-
Other expenses from ordinary activities		193,880	-
Profit / (Loss) from ordinary activities		103,475	-
Significant Item of Revenue		1,535,419	-
Profit / (Loss) from ordinary activities after Significant Item of Expense		1,638,894	-
Income tax expense	1a	-	-
Net profit / (loss) from ordinary activities after income tax expense attributable to the Company		1,638,894	-

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income
for the Period Ended 30 June 2019**

	1 July 2018 - 30 June 2019	16 June 2017 - 30 June 2018
	\$	\$
Profit for the period	1,638,894	-
Other Comprehensive Income for the period	-	-
Total Comprehensive Income for the period	1,638,894	-
Total Comprehensive Income attributable to members of the organisation	1,638,894	-

The accompanying notes form part of the financial statements

**Statement of Financial Position
as at 30 June 2019**

	Note	30 June 2019 \$	30 June 2018 \$
CURRENT ASSETS			
Cash and cash equivalents	4	1,949,553	-
Trade and other receivables	5	2,136,220	-
Inventory		6,164	-
Other current assets	6	80,645	-
		4,166,582	
TOTAL CURRENT ASSETS			-
NON-CURRENT ASSETS			
Financial assets	7	28,850	-
Other Assets	8	632,160	-
Plant and equipment	9	177,198	-
Website development costs	10	6,497	-
		844,705	
TOTAL NON-CURRENT ASSETS			-
TOTAL ASSETS		5,011,287	-
CURRENT LIABILITIES			
Trade and other payables	11	3,098,010	-
Short term provisions	12	174,831	-
Borrowings	14	45,359	-
		3,318,200	
TOTAL CURRENT LIABILITIES			-
NON-CURRENT LIABILITIES			
Borrowings	14	54,193	-
		54,193	
TOTAL NON-CURRENT LIABILITIES			-
TOTAL LIABILITIES		3,372,293	-
NET ASSETS		1,638,894	-
MEMBERS' FUNDS			
Accumulated Surplus		1,638,894	-
TOTAL MEMBERS' FUNDS		1,638,894	-

The accompanying notes form part of the financial statements

**Statement of Changes in Members' Funds
for the Period Ended 30 June 2019**

	30 June 2019	30 June 2018
	\$	\$
Balance at beginning of period	-	-
Surplus / (Loss) attributable to members	1,638,894	-
Balance at end of period	1,638,894	-

The accompanying notes form part of the financial statements

Statement of Cash Flow
For the Period ended 30 June 2019

	Note	30 June 2019 \$	30 June 2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		2,328,247	-
Interest received		3,349	-
Payments to suppliers and employees		(391,734)	-
Net cash provided by operating activities	17b	1,939,862	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Borrowings		(9,182)	-
Net cash (used in) financing activities		(9,182)	-
Net (decrease)/increase in cash held		1,930,680	-
Cash at the beginning of the period		-	-
Transfer of cash from CCF on 1 January 2019	17d	18,873	-
Cash at the end of the period	17a	1,949,553	-

The accompanying notes form part of these financial statements

Notes to the Financial Statements for the Period Ended 30 June 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

The Company applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

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 former CCF (NSW) Branch be transferred for \$nil consideration to CCF at which point in time, the branch was disbanded. Subsequently, the transferred assets, liabilities and undertakings were transferred by CCF to the Company for no consideration on 1 January 2019, as follows:

	\$
Cash	18,873
Website Costs	18,845
Plant & Equipment	200,187
Trade Receivables	2,636,904
Other Assets	775,755
Trade and Other Payables	(1,847,198)
Borrowings	(108,722)
Employee Entitlements	(159,213)
Net Assets	1,535,419

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

Notes to the Financial Statements for the Period Ended 30 June 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Policies

a. Revenue

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor; otherwise the grant is recognised as income on receipt.

Donations are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

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

b. Income Tax

The Company is believed to be exempt from income tax including capital gains tax, by virtue of the provisions of s.50-15 of the Income Tax Assessment Act 1997.

c. Cash and cash equivalents

Cash and cash equivalents 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.

d. 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.

Notes to the Financial Statements for the Period Ended 30 June 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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:

	30/06/2019
Office, furniture and equipment	20%-33%
Motor vehicles	12.5%-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.

e. Trade and Other Receivables

Trade and other receivables include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

f. Trade and Other Payables

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

g. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Notes to the Financial Statements for the Period Ended 30 June 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs except where the instrument is classified as “at fair value through profit or loss” in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15: *Revenue from Contracts with Customers*.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense over in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit-taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships.)

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

Notes to the Financial Statements for the Period Ended 30 June 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

A financial liability cannot be reclassified.

Financial Assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The entity initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different basis;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Notes to the Financial Statements for the Period Ended 30 June 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the entity made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the entity's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (ie has no practical ability to make unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which the entity elected to classify under fair value through comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised costs or fair value through other comprehensive income;

Notes to the Financial Statements for the Period Ended 30 June 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

- lease receivables;
- contract assets (eg amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the profitability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The entity used the following approaches to impairment, as applicable under AASB9:

- the general approach;
- the simplified approach;
- the purchased or originated credit-impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the entity assesses whether the financial instruments are credit-impaired, and:

- If the credit risk of the financial instrument has increased significantly since initial recognition, the entity measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- If there is no significant increase in credit risk since initial recognition, the entity measures the loss allowance for the financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (ie delivery of its customer base, appropriate groupings of its historical loss experience, etc).

Purchased or originated credit-impaired approach

For financial assets that are considered to be credit-impaired (not on acquisition or originations), the entity measured any change in lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Notes to the Financial Statements for the Period Ended 30 June 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (eg default or past due event);
- a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- the likelihood that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the entity assumed that the credit risk has not increased significantly since initial recognition and, accordingly, can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the entity applied its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Recognition of expected credit losses in financial statements

At each reporting date, the entity recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit and loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

Notes to the Financial Statements for the Period Ended 30 June 2019 (cont'd)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

h. Employee Benefits

Short-term employee benefits

Provision has been made for the Company'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 Company'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 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 were recognised in profit or loss in the periods in which the changes occur.

The Company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Company 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 are made by the Company to employee superannuation funds and are expensed when incurred. The Company 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.

i. Leases

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

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are 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 30 June 2019 (cont'd)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

j. 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.

k. Fair Value of Assets and Liabilities

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

Fair value is the price the Company 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.

l. 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 Company.

Notes to the Financial Statements for the Period Ended 30 June 2019 (cont'd)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Key Estimates – Impairment

The Board assesses impairment on each reporting date by evaluating conditions specific to the Company 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 30 June 2019, except as stated in this report.

Key Judgements - Doubtful Debts/Credit Loss Provision

The Board assessed each debtor and estimated no provision for doubtful debts/credit loss was required except as disclosed at Note 5. The Board believes that the full amount of the remaining debtors was recoverable.

m. New and Amended Accounting Standards Adopted by the Entity

Initial application of AASB 9: Financial Instruments

The entity has adopted AASB 9 with a date of initial application of 1 July 2018. As a result the entity has changed its financial instruments accounting policies as already detailed.

Considering the initial application of AASB 9 during the financial period, financial statement line items have not been affected for the current and prior period.

n. Comparative Information

The current year information is for the period 1 July 2018 to 30 June 2019. The prior period comparative information is from the date of incorporation (16 June 2017) to 30 June 2018.

**Notes to the Financial Statements
for the Period Ended 30 June 2019 (cont'd)**

	30 June 2019 \$	30 June 2018 \$
NOTE 2: REVENUE		
Operating activities:		
Membership Income (Subscriptions)	767,806	-
Sponsorship	104,023	-
Functions	328,769	-
CCF Bulletins	30,137	-
IMS System	825	-
Interest Income	3,349	-
Projects Income (ITAB, SafeWork & Women in Civil Project)	373,162	-
Project Income (Stream One)	52,868	-
Project Income (Stream Two)	125,061	-
Other Income	38,912	-
Total Revenue	1,824,912	-
NOTE 3: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
The operating profit/(loss) of the Company before income tax expense has been determined after:		
a. Bad and Doubtful Debts		
Bad debts written off to expense	-	-
b. Auditor's Remuneration		
Auditor's remuneration – Audit of Financial Statements	6,000	-
(other services - \$nil)	-	-
	6,000	-
c. Operating Leases		
Rent	55,933	-
	55,933	-
d. Depreciation and Amortisation		
Plant and equipment and Website	23,934	-
Motor vehicles	17,184	-
	41,118	-

**Notes to the Financial Statements
for the Period Ended 30 June 2019 (cont'd)**

	30 June 2019 \$	30 June 2018 \$
NOTE 3: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
e. Levy		
National office levy	57,948	-
The levy is imposed by the CCF National to assist in funding the operations.		
f. Employee related		
Wages & Salaries	405,443	-
Superannuation	40,249	-
Employee benefits (leave and other entitlements)	17,155	-
	462,847	-

**Notes to the Financial Statements
for the Period Ended 30 June 2019 (cont'd)**

	30 June 2019 \$	30 June 2018 \$
NOTE 4: CASH AND CASH EQUIVALENTS		
Current		
Cash on hand	500	-
Cash at bank	486,768	-
Short-term bank deposits	1,462,285	-
	1,949,553	-

NOTE 5: TRADE AND OTHER RECEIVABLES
a. Current

Trade debtors	2,143,152	-
Less: Provision for doubtful debts	(12,932)	-
	2,130,220	-

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.

Sundry debtors are non-interest bearing and unsecured. No credit losses except as stated above are expected.

	30 June 2019 \$	30 June 2018 \$
NOTE 6: OTHER CURRENT ASSETS		
Current		
Prepayments and Security Deposits	80,645	-
	80,645	-

NOTE 7: 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	-
	28,850	-

b. Terms and Conditions

(i)The Company holds 625 shares in Beaconsfield Press Pty Limited. The shares of the Company have been 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 every 2 years.

**Notes to the Financial Statements
for the Period Ended 30 June 2019 (cont'd)**

	30 June 2019 \$	30 June 2018 \$
NOTE 8: OTHER NON CURRENT ASSETS		
Cert & GoldPO System - SafeWork Costs	118,244	-
Professional Development Program	513,915	-
	632,160	-
NOTE 9: PLANT AND EQUIPMENT		
Motor vehicles – at cost	148,265	-
Less: Accumulated depreciation	(22,704)	-
	125,561	-
Office furniture and equipment – at cost	250,197	-
Less: Accumulated depreciation	(198,560)	-
	51,637	-
Total plant and equipment – net book value	177,198	-
Reconciliation of movements in plant and equipment		
Motor vehicle – at cost		
Carrying amount at beginning of the period	-	-
Transfer from CCF	142,745	-
Depreciation expense	(17,184)	-
Carrying amount at end of the period	125,561	-
Furniture and equipment		
Carrying amount at beginning of the period	-	-
Transfer to CCF	75,571	-
Depreciation expense	(23,934)	-
Carrying amount at end of the period	51,637	-
Total carrying amount at end of the period	177,199	-
NOTE 10: WEBSITE DEVELOPMENT COSTS		
Carrying amount at beginning of the period	-	-
Transfer from CCF	6,496	-
	6,496	-
NOTE 11: TRADE AND OTHER PAYABLES		
a. Current		
Deferred income	2,422,275	-
Creditors and accruals	675,735	-
	3,098,010	-

Notes to the Financial Statements for the Period Ended 30 June 2019 (cont'd)

NOTE 11: 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.

	30 June 2019 \$	30 June 2018 \$
NOTE 12: PROVISIONS		
a. Current		
Provisions for annual leave	107,677	-
Provisions for long service leave	67,153	-
	174,831	-
b. Non-Current		
Provisions for long service leave	-	-
c. Aggregate employee entitlement liability	174,831	-

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 Company 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 are classified as current liabilities since the Company 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 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: KEY MANAGEMENT PERSONNEL COMPENSATION

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, is considered key management personnel (KMP)

Notes to the Financial Statements for the Period Ended 30 June 2019 (cont'd)

NOTE 13: KEY MANAGEMENT PERSONNEL COMPENSATION (Cont'd)

The totals of remuneration paid to KMP of the entity during the year are as follows:

	30 June 2019 \$	30 June 2018 \$
KMP compensation		
Short-term employee benefits	263,136	-
Post-employment benefits	24,870	-
Other long-term benefits	1,211	-
	<u>289,217</u>	<u>-</u>

Other Related Party Transactions

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	30 June 2019 \$	30 June 2018 \$
NOTE 14: BORROWINGS		
a. Current		
Hire Purchase Liability	45,359	-
b. Non-Current		
Hire Purchase Liability	54,193	-

c. Terms and Conditions

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

NOTE 15: FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

The Company's financial instruments consisted mainly of deposits with banks, short term investments, accounts receivable and payable, and investments in an unlisted company.

The Company did not have any derivative instruments at 30 June 2019.

i. Terms, Conditions and Accounting Policies

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

Notes to the Financial Statements for the Period Ended 30 June 2019 (cont'd)

NOTE 15: FINANCIAL RISK MANAGEMENT (cont'd)

iii. Financial Risk Exposures and Management

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

Liquidity risk

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

Interest rate risk

The Company 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 30 June 2019, 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:

	30 June 2019 \$	30 June 2018 \$
Change in profit/(loss)		
Increase in interest rate by 1%	4,868	-
Decrease in interest rate by 1%	(4,868)	-
Change in equity		
Increase in interest rate by 1%	4,868	-
Decrease in interest rate by 1%	(4,868)	-

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 Company 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 Company is not materially exposed to any individual credit risk.

Interest Rate Risk

The Company'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 \$	
30 June 2018							
Assets:							
Cash	NA	-	-	-	-	-	-
Trade and Sundry Debtors		-	-	-	-	-	-
Liabilities:							
Sundry Creditors & Other Liabilities		-	-	-	-	-	-
Borrowings	NA	-	-	-	-	-	-
Net financial assets		-	-	-	-	-	-

Notes to the Financial Statements for the Period Ended 30 June 2019 (cont'd)

NOTE 15: 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 2019							
Assets:							
Cash	1.6%	486,768	1,462,285	-	-	500	1,949,553
Trade and Sundry Debtors		-	-	-	-	2,130,220	2,130,220
		486,768	1,462,285			2,130,720	4,079,773
Liabilities:							
Sundry Creditors & Other	-	-	-	-	-	3,098,010	3,098,010
Liabilities	-	-	-	-	-	-	-
Borrowings	6.5%	-	45,359	54,193	-	-	99,552
		-	45,359	54,193	-	3,098,010	3,197,562
Net financial assets		486,768	1,426,926	(54,193)		(967,290)	882,211

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 Company 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 30 June 2019 (cont'd)**

	30 June 2019 \$	30 June 2018 \$
NOTE 16: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash on hand	500	-
Cash at bank	486,768	-
Call deposit	1,462,285	-
	1,949,553	-
b. Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Operating profit after income tax	1,638,894	-
Non-cash flows in profit/(loss) from ordinary activities		
- Depreciation and amortisation	41,118	-
- Gain on transfer of Net Assets from CCF	(1,535,414)	-
Changes in operating assets and liabilities		
Decrease/(Increase) in receivables	506,684	-
Decrease/(Increase) in other assets	22,115	-
(Decrease)/Increase in trade & other payables	1,250,818	-
(Decrease)/Increase in provisions	15,612	-
Net cash provided by operating activities	1,939,862	-

c. Credit Facility

The Company had a business card credit facility of \$50,000. At 30 June 2019, the utilised facility was \$nil.

d. Cash Transfer

Cash of \$18,873 was transferred to the Company as part of the net asset transfer from CCF (refer Note 1).

**Notes to the Financial Statements
for the Period Ended 30 June 2019 (cont'd)**

	30 June 2019 \$	30 June 2018 \$
NOTE 17: 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	53,156	-
- After one year but not more than five years	13,289	-
- More than five years	-	-
	66,445	-

a. Office

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 18: CAPITAL COMMITMENTS

At 30 June 2019, the entity has no capital commitments.

NOTE 19: EVENTS SUBSEQUENT TO BALANCE DATE

At 30 June 2019, there are no subsequent events to report.

NOTE 20: FAIR VALUE MEASUREMENT

The Company 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 Company 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 30 June 2019 (cont'd)**
NOTE 20: 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 Company 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 Company 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 30 June 2019 (cont'd)

NOTE 20: FAIR VALUE MEASUREMENT (cont'd)

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

Note	30 June 2019			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	-	-	-	-

NOTE 21: ECONOMIC DEPENDENCY

The Company is economically dependent on ongoing funding in the form of membership fees.

NOTE 22: COMPANY 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

NOTE 23: MEMBERS' GUARANTEE

The entity is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the entity is wound up, the constitution states that each Contractor member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of CCF (NSW) Limited, the directors of the entity declare that:

1. The financial statements and notes, as set out on pages satisfy the requirements of the *Corporations Act 2001* and;
 - a. comply with Australian Accounting Standards – Reduced Disclosure Requirements applicable to the entity; and
 - b. give a true and fair view of the financial position of the entity as at 30 June 2019 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts and when they become due and payable.

Director

A handwritten signature in blue ink, appearing to be 'M. J. L.', is written over the 'Director' label.

Dated this 22nd day of August 2019



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CCF (NSW) LIMITED**

Opinion

We have audited the financial report of CCF (NSW) Ltd (the entity), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss statement of comprehensive income, statement of changes in members' funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of the entity is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the entity's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with the 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 our report. We are independent of the entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of CCF (NSW) Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

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 directors are responsible for other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2019, but does not include the financial report and our auditors' report thereon.

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.

Responsibilities of the Directors for the Financial Report

The directors of the entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors 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.

Partners

Marino Angelini, CA
Michael Shulman, CA
Nello Traficante, CPA
Jason Wall, CA
Peter Angelini, CA
Nick Jeans, CPA



In preparing the financial report, the directors are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditors Responsibilities for the Audit or the Financial Report


Our objectives are 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 this financial report.

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

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

We communicate with the directors 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 identify during our audit.


Stannards Accountants and Advisors


Michael B Shulman
Partner

Melbourne, VIC
Dated: 22/8/14

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Proxy form
Civil Contractors Federation New South Wales Limited
ACN 619 501 754 (Company)

I, (full name of Contractor Member) ACN (if applicable) of (address of Contractor Member), being a Contractor Member of the Company (**Contractor Member**) appoint(full name of proxy) being a person who is not entitled in their own right to vote on any resolution to be put at the AGM of the Company on Wednesday 18th September 2019, as proxy to vote for the Contractor Member and on behalf of the Contractor Member at the AGM and at any adjournment of the AGM.

The Contractor Member's proxy is authorised to vote as follows: **(complete as appropriate)**

1. [in favour of/against] the resolution
2. in the discretion of the proxy for the resolution
3. to abstain from voting for the resolution

In accordance with rule 7.17(e) of the Company's Constitution, this proxy is deemed to include the right to demand or join in demanding a poll and (except to the extent the proxy is specifically directed to vote for or against any resolution as set out above) the power to act generally at the meeting for and on behalf of the Contractor Member.

Dated:

(complete as appropriate)

EXECUTED by in the presence of:))	
Signature: WITNESS		Signature: CONTRACTOR MEMBER
Name:		Name:

or

**EXECUTED by
ACN**

in accordance with its Constitution and pursuant to section 127 of the *Corporations Act 2001* (Cth) by being signed by:

Signature: Signature:
Director Director / Secretary *

Name: Name:

* Complete as appropriate

**Please return your completed proxy form to the Company Secretary at
ccfnselection@ccfnsw.com before COB Monday 16th September.**