



CIVIL CONTRACTORS FEDERATION NSW LTD

ANNUAL REPORT 2022-2023

ABN 45 619 501 754

2022-2023 President's Report

On behalf of the Civil Contractors Federation New South Wales Ltd Board, I present to you the 2022-2023 Annual Report.

This has been another extraordinarily difficult year for the New South Wales civil infrastructure industry to deal with. Last year I wrote that FY2022 was perhaps the most difficult year faced in memory with enormous pressures on our industry and our people. For many, FY2023 has surpassed that.

Civil contractors are familiar with change, and are competent adaptors, but the reality is that many New South Wales civil businesses have, for several years now and due to factors outside their control, been in survival mode.

Overlaying this, there has been much 'routine change' – the political landscape in New South Wales has altered dramatically. Both Federal and State Governments are now Labor Governments. The exact ramifications of this for the civil industry are yet to be seen as both Governments conduct reviews into infrastructure spending.



CCF NSW has continued to be a very active CCF jurisdiction, and has strongly supported the work of the CCF National advocacy activity in the lead up to the Federal election and in the large number of Federal reviews that have occurred since. This effort is largely unheralded and difficult to articulate to the NSW industry and Members as the policy submissions and releases are necessarily made by the CCF National office. However, as an ex-CCF National Board Member, I can say very confidently that the contribution of CCF NSW to the National Voice is significant, critical, and much valued.

CCF NSW has, as the Voice of the New South Wales civil industry, continued to be very active this year. As explained in *The Year in Summary*, our advocacy work at the State level has been clear, timely, and fearless. Our policy platform for the March 2023 state election, **A Dozen Dos to Construct a Sustainable**, **Viable NSW Civil Construction Industry**, was released a full 12 months before the election. The development of that extraordinary document was over 12 months in the making – a process of listening to industry, consultation, gathering evidence and data, and fine tuning.

Indeed, the development of A Dozen Dos illustrates the hallmarks of what makes CCF NSW a truly great body. We represent **ALL** employers in the industry, irrespective of their size or location, and each voice is an *equal* voice. The synthesis of those diverse businesses into a single all-of-industry advocacy platform makes that platform stronger.

Evidence is critical to successfully influencing policy, and CCF NSW has continued to gather the right information we need to first inform and then support our positions. Our first annual "10 Year Civil Forecast" was released in early 2013 and it has become a must-have desk document for civil businesses. This Forecast has expanded with the inclusion of the most comprehensive annual industry surveys (workforce and business) in Australia and, for the past three years - the analysis of new State Government contract commencements. For the first time, in February 2023 we released the results of these four pieces of work in one report – the CCF NSW's NSW Civil Industry Report. There is no other document like this in Australia.

Success in advocacy is not just from developing reports and submitting policy papers – it also comes from consistent, fearless representation. As a Member and Board Director I have for many years heard politicians and bureaucrats say at events that no one is left wondering, thanks to the extraordinary efforts of CEO David Castledine, what the CCF NSW's views are on the industry's problems and the required solutions. Since becoming President of CCF NSW, and having attended many advocacy meetings, I have seen in person why this is said so often.

Just one example of CCF NSW's work has been the volume and nature of new contracts release by the NSW Government (see *The Year in Summary*). It was CCF NSW that researched and used financial evidence to place a spotlight what was happening to industry over six years It was CCF NSW who used survey data to explain the impact on industry, and presented the picture of what was going to happen if not corrected. It was CCF NSW who advocated fearlessly – sometimes at great cost – for change. The results speak for themselves: a 56% increase in one year of whole of Government contract values; a 136% increase in the value of Transport for NSW commencements; and a major shift back towards small and medium contracts. This did not 'just happen', and every civil business in NSW benefits from this effort.

We have not achieved everything we have advocated for over this past year however, without CCF NSW as a single, unified, fearless voice representing our industry, policy improvements would be relying on hope. I assure

Members that you have an extremely strong voice fearlessly representing **all** of industry, from Tier 1 to one person operations, and for rural based business and city based.

The CCF NSW Business

The Auditor's Report and Commentary, the Financial Report and Summary, and the CEO's Report on the following pages record CCF NSW's exemplary performance in FY2023. As a business, CCF NSW has had to face the general economic issue of spiralling costs and staff shortages. However, CCF NSW has *also* significantly been influenced by the parlous economic situation within is major revenue source - the civil industry. This can be seen within the Institute of Civil Infrastructure – the largest investment CCF NSW has ever made in resources for the industry – which was unable to grow as planned in FY2023.

Fortunately, the agility which the Auditor refers to in their comments - agility CCF NSW has repeatedly demonstrated over the last decade - drove the CEO to act immediately to tightly control expenditure. As David's Report explains, the adjustment made was so rapid and significant that the *net* exposure to CCF NSW was reduced from a budgeted \$632,00 to just \$149,778. This was a very strong response, but the Board assessed it as entirely warranted given the volatile environment.

It is worth making a point very clear - CCF NSW is a Not for Profit organisation. It does not distribute dividends - all of its funds are retained to support the industry. The CCF NSW team and Board are acutely aware that the entity's financial assets <u>must</u> be protected to ensure resources can continue to be provided by CCF NSW. For example, work on the development of the *Small Business Electronic Integrated Management System* (eIMS) will recommence in the new FY. The conservative action taken in FY2023 has ensured we can, without fear, continue on with this vital investment – an investment that will improve the commercial maturity and business viability of small civil businesses irrespective of where they are located.

The Board remains very focused on monitoring the ICI Development Cost, but also on the much-needed benefits ICI brings to the industry across Australia. The ICI stands as the civil industry's own continual professional development program and, with compulsory Engineers Registration expanding to nearly every jurisdiction in Australia, the ICI is proving to be a service delivered just as it is needed most.

Supporting Industry

As I said in my Report last year, numbers fail to fully explain the true depth and extent of the support CCF NSW has continued to provide to the industry and its people over this very difficult year.

Most in the industry would be unaware of the issues CCF NSW has had to navigate this year because that is the CCF NSW culture – focus on, and support, the family. First and foremost. The Board, however, sees this culture daily. I would like to sincerely thank the CCF NSW team on another outstanding effort during extremely difficult times. As David's Report describes, in this year they have dug even deeper, taking on more load so that CCF NSW could protect our assets and be in a strong and stable position when the year was over.

I would also like to also thank my fellow CCF NSW Directors, including Vice President Kim Liddell and NSW's CCF Australia board representative, Gladys Woods, who have all unselfishly given so much of their time to support the Federation.

I acknowledge and congratulate the election of CCF NSW Board Member Mick Boyle to the role of CCF Australia President.

On behalf of the Board of CCF NSW I commend to you the 2022-2023 Annual Report of the operations of the Civil Contractors Federation New South Wales Ltd.

Lee Fahey, ECIM President

Protecting the Industry Growing the industry Giving the industry a Voice

2022-2023 CEO's Report

The Economic and Political Context

FY2023 proved to be another very difficult year for the New South Wales civil infrastructure industry. On the back of a particularly harsh FY2022 – a year in which our annual survey of Contractor Members reported 40.7% of respondents' businesses suffered a financial loss – we had more work-delaying rain, continued flooding, and a terrible 'black swan' risk event – a war in Europe that tipped already pandemic-strained supply chains into a state of hyper-inflation.

Further, the Federal Government changed from the Coalition to Labor six weeks before the FY2023 year began, and similar change occurred in New South Wales nine months into the year. In what were deeply concerning messages for the civil industry, both State and Federal Labor Governments signalled prior to the elections considerable change from the previous administrations in their approaches to infrastructure priorities and budget management.



In short, FY2023 has been anything but stable. Indeed, confidence decreased through the first half of the year with glimmers – of what can most accurately be described as stability rather than improvement – only in the last quarter of the year.

Our Financial Report to You

As a Not-For-Profit organisation whose purpose is to provide resources to the civil infrastructure industry, the external environment significantly impacted our business plan for FY2023.

The CCF NSW Board – all Contractor Members themselves – are extremely focused on risk and we expend every dollar judiciously. Our original, Board-approved FY2023 budget considerably expanded investment in resources, including continuing the Development Cost of the Institute of Civil Infrastructure (ICI). This resource investment was projected to yield a loss in CCF NSW of \$377,000 along with \$255,000 being carried for ICI's Development Cost – a total investment of \$632,000 for the year.

The rapidly deteriorating environment was particularly impactful on ICI's planned growth, and required a commensurately rapid change to CCF NSW's business activities. In short, CCF NSW did what other organisations were required to do in FY2023 – adapt and tighten.

The result achieved was outstanding: ICI's Development Cost – an investment carried by CCF NSW in accordance with our support agreement - increased in FY2023 to \$466,037. However, to offset this cost, CCF NSW reduced expenditure to enable a profit of \$316,249. In short, in the most trying of years, we reduced our total exposure from a budgeted \$632,000 to \$149,778.

Cost savings are counterproductive if, in their achievement, service delivery deteriorates or future revenue is crippled. That has not been the case in FY2023 here, and our five-year business plan remains very much intact.

As our Auditor commented in this year's Audit Report:

"The business is managed with a view to being agile and able to react immediately to market conditions, enabling it to both protect its (sic) assets and maintain its value to Members and continue ongoing projects through its ability to appropriately direct its expenditure."

This result was achieved largely through the commitment of the incredible CCF NSW staff. They have made this happen under extremely difficult circumstances and my respect, admiration, and appreciation for their support of CCF NSW, and this great industry, is limitless.

Restructuring to Better Support Industry

Despite the fiscal constraints, CCF NSW was able to implement a planned internal restructure that expanded our team with new staff and additional senior personnel. This restructure occurred in the second half of the year as part of our management of expenses. The role of CEO of the ICI was separated from the CCF NSW CEO's remit. Additionally, a new Director role was created to take from the CCF NSW CEO management of Member retention and recruitment, all development projects and grants, the Women in Civil Program, all channel communications, sponsorship sales and management and events. These changes will allow the CEO to focus even more on advocacy in FY2024 and beyond.

Our Membership

A loss of even a single Member is keenly felt within CCF NSW. Despite the hardship experienced this year within the industry, Membership retention was excellent – we had a net drop of 15 Contractor Members, and retained the same number of Associate Members. Not surprisingly, smaller businesses accounted for those Member losses.

To specifically support small businesses, our free *Small Regional Business Mentoring Program* was constructed, and the pilot intake commenced in June - two intakes are planned for FY2024. Our *Small Civil Business Financial Health Check* has also been developed – a free, template and standard for the key indicators of financial health in a small civil construction business.

Our Advocacy

As The Voice of the Industry, CCFs in all State/Territory jurisdictions including on the Federal stage play a critical role in ensuring the civil industry's concerns and recommendation are presented to government. The following section *The Year in Summary* explains CCF NSW's considerable activities during in the FY2023 in some detail.

Women in Civil

CCF NSW has led the way in civil industry in Australia to improve female participation in our industry with vision, action, and outcomes.

As the following section, *The Year in Summary*, explains, our seven-element **CCF NSW Women in Civil Program**, launched in June 2017, has achieved what no other construction industry sector has been able to achieve - a significant, sustained improvement in female participation in civil roles. In March 2021 the CCF NSW Board went further - setting a vision of equal gender participation in New South Wales civil roles by 2050 – our '50 by 50', that resulted in June 2022 in the NSW Government having the confidence to set a target of '15 by 30' for the *entire* construction industry.

Significantly, our actions are producing outcomes. In our September 2017 baseline survey of women in civil roles we found a result of 4.2%. In February 2021 this has risen to 5.7%. In December 2022 this had climbed to **9.9%** - a full 3% ahead of our 50by50 touchstone for the date and representing a 136% increase in five years.

These outcomes reflect incredibly positively on the women in our sector, and also on the employers in our Membership who have seen the benefits of employing more women. Clearly, the CCF NSW model of encouragement, support, and vision setting – rather than enforcement - is a proving blueprint for success.

Events and Information

Our webinars, events and email communications and briefs continued to deliver information to businesses when they needed it, and in a language that reflected their interests and needs; and stimulate policy discussion. We delivered over 50 outstanding events for industry across the State including our Regional Meeting series, the State of the State luncheons, the 2022 Procurement Conference, People Awards in November 2022 and Earth Awards in June 2023. While we had good attendance at Earth Awards, a stark metric of the impact of extended rain during FY2023 was our lowest nomination entry numbers in a decade.

A Few Civil Words

Recognition must be given, especially in times of great stress within the industry such has continued in FY2023, to the CCF NSW Board of Directors. They are all volunteers; Members themselves; and are all already incredibly busy managing their *own* businesses' needs. Despite this, they give so selflessly of their time to CCF NSW. The current Board is led incredibly well by President Lee Fahey, Vice President Kim Liddell and Executive Member Gladys Woods.

My greatest words of appreciation, as always, are to the industry who we support and, specifically, the CCF NSW family of civil Members. Membership is an action founded in trust, and I consider that trust an honour to receive, and hold it precious. The CCF NSW team are genuinely humbled by the action of a business to join or renew Membership - it inspires us to continue delivering support, especially during such difficult times as FY2023.

I commend to you the 2022-2023 Annual Report of the operations of the Civil Contractors Federation New South Wales Ltd.

David Castledine

Chief Executive Officer & Company Secretary

Support
Fearlessly Delivered
Not For Profit...For YOU



The Year in Summary

The Business

At a time of great difficulty for the industry...

We protected Members' funds with:

- Profit realised of \$316,249
- Total Member's Funds increased to \$2,632,783
- Cash holdings of \$1,717,401
- Zero debt (\$0)
- Revenue increased by 10% as events returned fully
- Total Membership numbers reduced by 3% (15) to 422
- Over 50 events and information's sessions held

The CCF NSW's Auditor, Stannards, has acknowledged our response to these trying times:

"Overall the business has increased its EBITDA compared to the prior year, a commendable result.

The business is managed with a view to being agile and able to react immediately to market conditions, enabling it to both protect its assets and maintain its (sic)value to Members and continue ongoing projects through its ability to appropriately direct its expenditure.

This is shown by the reduction of its (sic) marketing and membership costs to offset the deferred ICI activities and Individual Programs and turn a forecast loss to a considerable surplus."

Advocacy and Information

Advocacy in an Election Year...

The NSW election was held on 25 March 2023. Iin March 2022, a full 12 months before the 2023 State election, CCF NSW released 12 recommendations 'For Now and the 2023 State Election' that mapped the reforms industry told us were needed. This document, A Dozen Dos to Construct a Sustainable, Viable NSW Civil Construction Industry, was the centerpiece our election advocacy platform, and proved to be a powerful tool in our advocacy arsenal.

The development of these recommendations was a process that commenced over twelve months before the final document was publicly released. CCF NSW has a very active and engaged Membership and combined with 50 plus events run each year across the whole State, we receive feedback constantly. We then commission research on financial data canvassed industry for the researched the recommendations well in advance of the election, using data and reason, and to confirm the efficacy of the solutions. We then consult with relevant subcommittees and, finally, present a draft for to the Board of Directors (Members themselves). This is a lengthy and rigorous process, but it achieves high quality results.





With the policy platform established we expended the last 12 months leading up to the election advocating on the problems employers in the industry were most worried about, with solutions *they* believed in.

Adapting to Change

When the CCF NSW released A Dozen Do's, 'hyper-escalation' of key input supplies was not an issue. Fuel and steel are examples of inputs that saw significant increases which were impossible to foresee. So, we strongly advocated for the Baker's Dozen Do's, a call for the NSW Government to support industry by granting cost (not profit) relief to contracts on selected hyperinflated items.

On 2 September 2022 the Perrottet Government announced there would be no hyper-escalation relief for any contract signed before 31 August 2022 (ie, the period support was most needed), leaving it to industry to carry the burden of hyper-escalation onto contractors. The Minns Government has similarly declined to act since.

Monitoring the Promises

With the election looming, CCF NSW continually monitored, and conducted a detailed review of promises made by those asking to be elected. We commissioned BIS Oxford Economics to do an Election Commitment Commentary – a comparison of Labor and the Coalitions promises five weeks before the Election (see NSW Industry Civil Industry Report p3-06). Then, in the final four days, CCF NSW conducted own 'infrastructure analysis' of the Parliamentary Budget Offices' Costings of Labor and the Coalition's promises – a review which identified significant gaps and concerns. This was then released to the industry for them to be fully informed.

The Heart of Our Advocacy...Research

The CCF NSW's 2023 **NSW Civil Industry Report** is Australia's most comprehensive analysis of a jurisdiction in the civil infrastructure industry.

It uniquely combines three critical facets of the industry: a survey of businesses; an eight-year review of contracts commenced by the industry's largest customer - the NSW Government; and a detailed forecast of the next 10 years of work the industry will experience in both publicly and privately funded projects.

Included within the latter, Section 3 of the Report, is the presentation of Actual Work Done in the civil industry in the last financial year and, in terms of the forecast, an assessment of how both a Coalition and Labor Government will impact these forecasts should they win the March 2023 State election.

CCF NSW has been separately undertaking the three Sections of this research for a number of years; the longest since 2013. 2023 is the first year we have drawn the three Sections together and published them as a single report.

Information is power. This Report is produced for our Members, the broader industry, politicians, and government staff to enable optimum decision making to occur. CCF NSW is not a bystander in that process. As *The Voice of the Industry*, we use this information to inform our advocacy and the programs we deploy to make change.





The wonderful change we see in FY2022 in NSW Government contract commencements (see below and Section 2 of the Report) is an example of our advocacy at work, and our Women in Civil Program is an example of the programs we deploy (see below and Section 1 of the Report).

This significant body of work could not be achieved without the input of our extraordinary family of Members – over 37% of our Contractors undertook the comprehensive survey explained in Section 1. Our sincere thanks also go to the team at BIS Oxford Economics, led by Adrian Hart, who complete the research and analysis in Sections 2 and 3.

Note: In the 2024 Report we will be expanding the analysis of our 10 Year Forecast (Section 3) to include a new class of infrastructure work – 'Energy' will join 'Roads and Bridges', 'Railways' and 'Other Civil'.

An Example: NSW Government Contract Commencements

Section 2 of the NSW civil Industry Report had been commissioned by us in 2021 and 2022From FY18 to FY21, the dollar value of NSW Government **new** civil infrastructure contract commencements did not increase to match their many project announcements. Rather, it dropped by 39% across all NSW Government; with Transport for NSW dropping by 60%.

However, it was not only the *volume* of new work that was reducing; the very *size* of the contracts being released had significantly altered. Tier 2 companies and below were effectively, and rapidly, being left out of NSW Government contracts in favour of mega-projects. In the case of NSW's largest civil infrastructure procurer, Transport for NSW, during the seven years FY18 to FY21 new contract commenced under \$500m reduced in an almost straight line by 58%.

CCF NSW used this data to advocate strongly, and successfully, for a reversal. Our research released in February 2023 showed a major turnaround in FY22 on both total dollar value and in support of smaller contracts. NSW publicly funded civil commencements lifted 56% in FY2022 to \$11.4bn. Transport for NSW carried the heavy lifting on this, with a 137% increase (see figure 4, extracted from Section 2 of the Report).

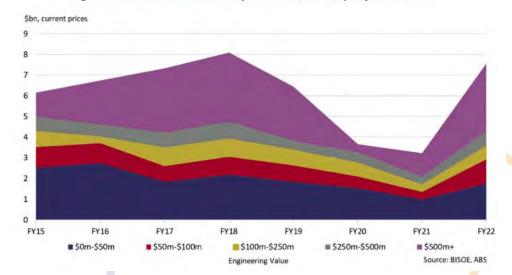


Figure 4: Estimated State Funded Transport Commencements by Project Size Bracket

An Example: The State of Business

While much was made of the state of the civil industry during 2022, hard data to inform policy debate and structure solutions was in short supply.

Over 13 days in December 2022, the CCF NSW carried out the most comprehensive civil construction industry survey to date in this country. The **NSW State of Business** — which in this year combined two of our Member surveys into one – yielded high-volume and high-quality responses from CCF NSW's Contractor Members.



Importantly, the responses reflected the extremely diverse CCF NSW Membership – Tier 1 multi-nationals to one-person operations in rural NSW. The survey was substantial – we asked 57 lead questions of our Contractor Members, with some questions having up to 15 supplemental questions.

Data captured includes the following facets of NSW civil businesses:

- · past actual profitability and revenue, as well as sentiments on the future
- workforce and capacity, including staff retention
- workforce breakdown, including age and diversity
- industry reflection on NSW Government procurement practices.

Despite the survey timing, its huge size, and the highly commercially sensitive nature of the questions, **over 37% of CCF NSW Contractor Members responded** – an outstanding result reflecting a very engaged Membership.

The responses were very high quality and extremely revealing, proving crucial in our representation to the key decision-makers for our industry on all sides of politics as the State election approached.



The CCF NSW Women in Civil Program

CCF NSW has, since 16 June 2017 when we launched the CCF NSW Women in Civil Program, continued to advocate for, and support, more women joining and remaining in the civil industry. The Program includes a number of elements:

- A structured 9 month <u>Mentoring Program</u> (we have over 100 Mentee alumni, and 2023 will be our sixth year!)
- Facilitation of monthly networking forums through our <u>Virtual Community</u> initiative (a very regional NSW focus) to which guest speakers are invited, along with other Networking events.
- Identification and heralding of female 'champions', including the penultimate award of our annual Women in Civil Excellence Award. (This has actually been running since 2012)
- Our <u>www.careerincivil.com</u> website which explains the roles in the industry and has a very deliberate focus on encouraging females to join the industry.
- Training and educating supervisors about managing a diverse workforce through our partner the Institute of Civil Infrastructure.
- Providing a package of tools and legal advice for employers to recruit and retain more females.
- Our <u>Employers Championing Women in Civil</u> initiative, which asks employers to publicly commit to supporting women in their workplaces and CCF NSW's 50% gender participation by 2050.
 If your business is interested in becoming a Champion, please get in contact with us.

We are delighted that many other CCF Branches have now established their own Women in Civil programs.





Our sixth CCF NSW Women in Civil Mentoring, our biggest yet, kicking off in February 2023.



Our second Women in Civil Community Celebration in June 2023 drew another capacity crowd of over 130. Our CEO, CCF NSW Vice President and Chair of the WiC Sub-Committee Kim Liddell, and NSW's CCF Australia Representative Gladys Woods welcomed the event's Guest Speaker Lucy Brogden, AM.

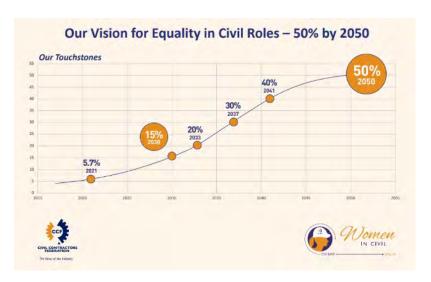


Leading with Vision

CCF NSW placed an immense stake in the ground in when it declared in March 2021 our vision of achieving **gender equality in NSW civil roles by 2050** – our '50by50' vision

This, intentionally, caused discussion.

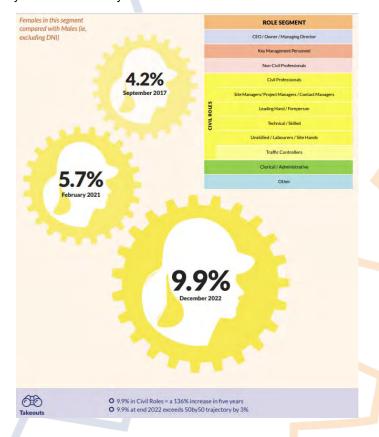
We were delighted when the NSW Government announced in June 2022, following input from us, its goal of 15% females by 2030 in not only civil but the *entire* construction industry. 15by30 directly aligns with our schedule of achieving '50 by 50' and was an outstanding commitment. We look forward to the new Labor Government supporting this vision.



Visions mean little if not supported. In 2021 CCF NSW offered to partner with the NSW Government in an expansion of the Program. We offered, then, and have a number of times since, to contribute 20% of our revenue each year to the partnership. We are committed.

When we commenced our Program, we conducted a baseline survey of gender participation rates in roles across the industry. We undertook a further survey in February 2021. In December 2022 we undertook our third survey of the industry.

The results were extremely encouraging... a **136% increase in five years** in females in civil roles. This exceeded our '50by50' for end 2022 by 3%.





Elsewhere industry reports on gender participation in construction – even in late 2022 – have stated female participation rates in construction are immovable, if not regressing.

This result did not just 'happen'. Clearly something our Membership is doing is working very well.

Since we launched our WiC Program on 16 Jun 2017, **CCF NSW's consistent message** has been that employing more women in civil roles is smart and good for business. *BUT, we have never pushed employers to do what they are not ready for.*

Rather than push for mandates and rules, we have provided **support**, **resources and encouragement** for businesses **who are ready** to employ and better retain women in their business. Then, we have celebrated the **CHAMPIONS**.

These results show what can be achieved by focusing on **CHOICE**, in lieu **ENFORCEMENT**, to improve culture.

CCF NSW Members have proven such a model works - it is the blueprint for future success.

It is an **outstanding testament** to the champion people and employers in our Membership.

CCF NSW extends our sincere thank you to all the Champions of our Women in Civil Program – the extraordinary women in our industry; the Employers who have publicly committed to supporting women in their workplaces through the Program; the Mentors who so selflessly offer their time in our Mentoring Program; and the Program Annual Sponsors.

Partnering with NSW Government - The Largest Procurer of Civil in NSW

In December 2023, the CCF NSW prepared a grant submission to become involved in a NSW Government initiative designed to help give women a headstart in trades. We were pleased to have been selected as a Grant Provider for the **Connecting Women to Trades program**, round two. In FY2023-34, we look forward to seeing our many planned project activities come to fruition, with the support of our project partners.

While welcoming award of the Women in Trades grant we, and industry, were deeply disappointed by the news received in the first days of July 2023 that we were unsuccessful in securing any of the Women in Construction *Industry Innovation Funding* – the \$20.2 million that CCF NSW was, according to the then-NSW Treasurer in June 2022, instrumental in securing for the NSW construction industry.

Civil Contractors Federation (NSW) Ltd

Closing Audit Report 2023

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Performance

1 July 2022 to 30 June 2023

CCE NSW I +d	2023	2022
CCF NSW Ltd	\$'000	\$'000
Revenue	2,634,355	2,3261,129
Other Income	79,175	118,514
Total Income	2,713,530	2,479,643
Employee Expenses	(1,369,448)	(1,196,531)
National Levy	(105,823)	(102,750)
Functions, Seminars and Conferences	(435,882)	(255,205)
Motor Vehicle Expenses	(58,437)	(52,539)
Project and Program Costs	(126,400)	(173,336)
Other expenses	(249,809)	(351,561)
EBITDA	367,731	347,721
Depreciation and amortisation	(74,083)	(79,809)
Interest Income	31,900	5,403
Interest Expense	(9,299)	(13,286)
Profit Before Income Tax Expense	316,249	260,029



Comment on Performance

Revenue

- Revenue increased by some 9.6% compared to 2022; this was driven by a number of factors, including:
 - ♣ An increase in Membership rates (despite marginal drop in overall Member numbers)
 - Release of resignations provisions to reflect retention due to increased Member engagement
 - → Occurrence of events in FY23 which had been deferred from previous financial years, e.g. Gala Ball and Procurement Conference driven by an increased consumer appetite for finance in 2023.
- ◆ Other revenue has reduced in FY23, to include only the recognition of revenue related to ongoing government funded projects (e.g. Women In Civil)

Costs

- Costs have increased by only 5.8% in comparison the revenue increase, showing a tight control of expenditure in the year.
- ▶ Employee expenses have increased, due to the change to more senior staff in some roles and the timing of staff placements.
- ♣ Functions, Seminars and Conferences have increased in cost in line with the revenue increase noted above.
- Other costs have been controlled tightly.

Overall

- Overall the business has increased its EBITDA compared to the prior year, a commendable result.
- The business is managed with a view to being agile and able to react immediately to market conditions, enabling it to both protect its assets and maintain it's value to Members and continue ongoing projects through its ability to appropriately direct its expenditure.
- This is shown by the reduction in it's marketing and membership costs to offset the deferred ICI activites and Individual Programs and turn a forecast loss to a considerable surplus.



Other Matters

Credit Cards

♦ We note no unusual activity from our review of credit card expenditure.

Insurance

▶ We have reviewed insurance policy documents and note the cover is adequate.

Going Concern and Materiality

Going Concern and Future Forecast Pario

The capacity of Civil Contractors Federation (NSW) Ltd to remain a going concern is contingent upon its capacity to maintain Membership levels, which stems from ongoing delivery of relevant and appropriate services to Members and representation in the industry. Growth in other income sources, in addition to controlling expenditure is also critical. The organisation is well placed for the future given the breadth of its service delivery.

Materiality

Materiality for the audit was set at \$54,000 based on revenue.

The audit approach taken is to accumulate errors identified which are greater than 1% of this figure (being \$540) and deem errors lower than this threshold to be trivial to the financial report.

Reconciliation Review

Account	Findings
Cash and cash equivalents	No issues noted.
Other receivables and prepayments	No issues noted.
Inventory	No issues noted.
Fixed Assets	No issues noted.
Other Liabilities	No issues noted.
Leave Provisions	No issues noted.
Right of Use Assets / Lease Liabilities	No issues noted.

Conclusion - record keeping is accurate allowing timely and appropriate business decisions.

Assessment of Control Environment

Focus Area	Summary of Matter	Risk level
Segregation of Duties	There is limited segregation of duties within the finance team which is unavoidable given its size. Close management review of monthly financial reports is required to mitigate this risk, and	

Rating	Risk level	Action
High		Required to be addressed
Medium		Presents opportunity for material misstatement to occur
Low		Should be considered for improvement and /or current control structure maintained.



Significant Accounting and Audit Matters

Focus Area	Summary of Matter	Our Audit Approach
	By its nature cash is susceptible to fraud and error	Verified cash balances to bank statements for all other cash balances Tested existence and valuation of petty cash held - attended a sample of monthly stock takes to assess procedures performed. Reviewed all reconciliations and investigated reconciling items where appropriate. Reviewed cut off of receipts and payments to ensure correct accounting treatment.
Accounts Receivable Risk of non - recoverability		Tested existence and recoverability of trade receivables - we substantively tested the balance of trade receivables by reference to subsequent receipts for invoices.

Focus Area	Summary of Matter	Our Audit Approach
Property, Plant and Equipment	Significant asset balance on the balance sheet	Tested existence of fixed assets - sighted a sample of assets from the register to confirm existence. Completeness / Valuation and allocation - reconciled register to general ledger totals to ensure all assets are recorded. A sample of additions and disposals was tested. A review of repairs and maintenance on a sample basis was performed to detect any potential items of a capital nature. A review of depreciation rates on a test basis was performed to ensure they are in accordance with the rates noticed in the Group's accounting policies.
RoU Assets / Lease Liability	Significant by amount and/or nature	Reviewed and confirmed year-end accuracy and carrying value of lease schedules Tested all assets to underlying contracts to ensure information has been transacted accurately. Performed additions and disposal testing for all new leases entered into or removed during the financial year.

Focus Area	Summary of Matter	Our Audit Approach
Employee Entitlements	Balance contains multiple variables and is susceptible to error	Tested completeness and accuracy of employee entitlements by review of rates applied to annual leave balances and a review of the hours entitlement. Also ensured that an appropriate method is in place to determine long service leave in line with the requirements of AASB 119.
Trade Creditors & Other Payables	By its nature trade creditors is susceptible to fraud and error	Tested completeness and accuracy of trade payables and prepaid income - including a test of creditor balances to supporting supplier statements and subsequent payment. Additionally, cut off procedures included a search for unrecorded liabilities.

Focus Area	Summary of Matter	Our Conclusion
Compliance with accounting standards	Compliance with legislative requirements for financial reporting.	The intended output is a special-purpose financial report that will comply with the Corporations Act 2001.
Compliance with audit standards	Audit standards are enforceable. Auditor independence needs to be considered.	Formal meeting with management included appropriate fraud enquiries. Audit in accordance with ASA 240. Audit independence maintained through the audit engagement.

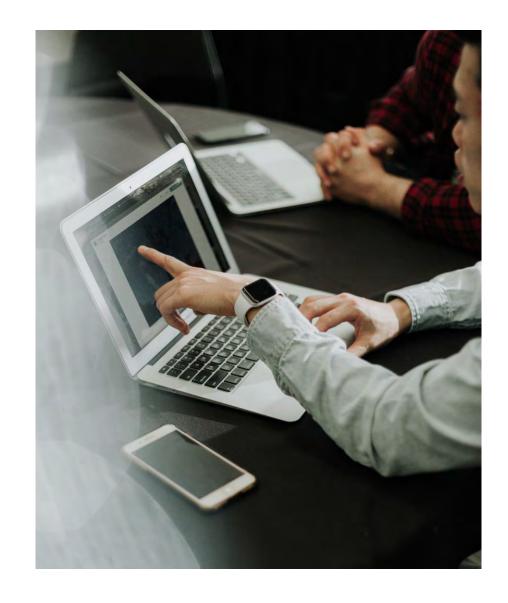
Focus Area	Summary of Matter	Our Conclusion
Revenue	Assessment of revenue cycles. By its nature revenue is susceptible to fraud and error.	Selected a sample of revenue ledgers items during the period and agree to supporting documentation
Expenses	Assessment of expenditure cycles. By its nature expenses is susceptible to fraud and error.	Selected a sample of expense ledger items during the period and agreed to supporting documentation.
Payroll	Assessment of cost of payroll cycles. By its nature payroll is susceptible to fraud and error.	Tested accuracy, occurrence and completeness of payroll. Selected a sample of pay runs during the period and agreed to employee file information. No issues in testing noted.

General

We would like to take this opportunity to thank the staff of CCF NSW Ltd for the co-operation offered during our audit.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to the Company or any other party in respect of this report, including any errors or omissions therein, arising through negligence or otherwise however caused.

This report is not to be used for any purpose other than those specified herein, nor may extracts or quotations be made without our express pre-written approval.



* STANNARDS



CIVIL CONTRACTORS FEDERATION NSW LTD

ABN 45 619 501 754

FINANCIAL REPORT FOR YEAR ENDED 30 JUNE 2023

Directors' Report for the Year Ended 30 June 2023

Your directors present this report on the entity for the financial year ended 30 June 2023.

Directors

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

Mr Stephen Cherrie Mr Lee Fahey
Mr Paul Wise (resigned 06/02/2023) Mr John Wade
Ms Kim Liddell Mr Richard Pottie
Ms Gladys Woods Mr Michael Boyle

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 year 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.

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 Year Ended 30 June 2023

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 surplus of \$316,249 (2022: surplus of \$260,029).

Significant changes in nature of principal activities

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

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 2023 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 10th day of August 2023.



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 2023 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.

Sterner Anders Adven

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

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MB Shulman Registered Company Auditor (163888)

Dated: 10 August 2023

Statement of Profit or Loss for the Year Ended 30 June 2023

	Note	30 June 2023 \$	30 June 2022 \$
Revenues	2	2,745,430	2,485,046
Employee expenses	3f	1,369,448	1,196,531
Depreciation and amortisation	3d	74,083	79,809
Amortisation – right of use asset	11	84,108	85,554
Bad debts	За	(31,928)	-
National Levy	3e	105,823	102,750
Rental expenses	3c	23,863	18,615
Interest Expense- right of use liability		9,299	13,286
Functions, seminars and conference costs		435,882	255,205
Travelling expenses		58,437	52,539
Project costs - Women In Civil		33,781	39,320
Program Costs		92,619	134,016
CCF Bulletin and Year Book expenses		24,765	34,173
Other expenses from ordinary activities		149,001	213,220
Profit / (Loss) from ordinary activities		316,249	260,029
Income tax expense	1b	-	-
Net profit / (loss) from ordinary activities after income tax expense attributable to the Company		316,249	260,029

Statement of Comprehensive Income for the Year Ended 30 June 2023

	30 June 2023 \$	30 June 2022 \$
Profit for the year	316.249	260,029
Other Comprehensive Income for the year	510,249	200,029
Total Comprehensive Income for the year	316,249	260,029
Total Comprehensive Income attributable to Members		
of the organization	316,249	260,029

The accompanying notes form part of the financial statements

Statement of Financial Position as at 30 June 2023

CURRENT ASSETS Cash and cash equivalents 4 1,717,401 2,202,538 Trade and other receivables 5 851,797 912,043 Inventory 2,604 5,759 Other current assets 6 96,517 100,450 TOTAL CURRENT ASSETS 2,668,319 3,220,790 NON-CURRENT ASSETS 5 2,8265 City Assets 8 2,716,847 2,162,423 Plant and equipment 9 100,721 221,162 Right of Use Asset 11 104,285 188,393 TOTAL NON-CURRENT ASSETS 2,934,517 2,600,243 TOTAL ASSETS 5,602,836 5,821,033 CURRENT LIABILITIES 2,506,270 3,012,196 Short term provisions 13 330,475 264,788 Lease Liability 11 110,090 102,181 TOTAL CURRENT LIABILITIES 2,946,835 3,379,165 NON-CURRENT LIABILITIES 2,3218 125,334 TOTAL LIABILITIES 2,3218 125,334 TOTAL LIABILITIES <th></th> <th>Note</th> <th>30 June 2023 \$</th> <th>30 June 2022 \$</th>		Note	30 June 2023 \$	30 June 2022 \$
Cash and cash equivalents 4 1,717,401 2,202,538 Trade and other receivables Inventory 5 851,797 912,043 Other current assets 6 96,517 100,450 TOTAL CURRENT ASSETS 2,668,319 3,220,790 NON-CURRENT ASSETS 7 12,665 28,265 Cher Assets 8 2,716,847 2,162,423 Plant and equipment 9 100,721 221,162 Right of Use Asset 11 104,285 188,393 TOTAL NON-CURRENT ASSETS 2,934,517 2,600,243 TOTAL ASSETS 5,602,836 5,821,033 CURRENT LIABILITIES 2,506,270 3,012,196 Short term provisions 13 330,475 264,788 Lease Liability 11 110,090 102,181 TOTAL CURRENT LIABILITIES 2,946,835 3,379,165 NON-CURRENT LIABILITIES 2,946,835 3,379,165 NON-CURRENT LIABILITIES 23,218 125,334 TOTAL LIABILITIES 2,970,053 3,504,499	CURRENT ASSETS			
Trade and other receivables 5		4	1,717,401	2,202,538
Display				
TOTAL CURRENT ASSETS 2,668,319 3,220,790 NON-CURRENT ASSETS 5 28,265 28,265 28,265 21,162,423 21,162,423 21,162,423 21,162,423 21,162,423 21,162,423 21,162,423 21,162,423 21,162,423 21,162,423 21,162,423 21,162,425 188,393 104,285 188,393 188,393 188,393 188,393 104,285 188,393 188,293 188,293 188,293 188,293 188,293 188,293 188,294 188,294	Inventory			
NON-CURRENT ASSETS Financial assets 7 12,665 28,265 Other Assets 8 2,716,847 2,162,423 Plant and equipment 9 100,721 221,162 Right of Use Asset 11 104,285 188,393 TOTAL NON-CURRENT ASSETS 2,934,517 2,600,243 TOTAL ASSETS 5,602,836 5,821,033 CURRENT LIABILITIES 2 3,012,196 Short term provisions 13 330,475 264,788 Lease Liability 11 110,090 102,181 TOTAL CURRENT LIABILITIES 2,946,835 3,379,165 NON-CURRENT LIABILITIES 2,946,835 3,379,165 NON-CURRENT LIABILITIES 23,218 125,334 TOTAL NON-CURRENT LIABILITIES 23,218 125,334 TOTAL LIABILITIES 2,970,053 3,504,499 NET ASSETS 2,632,783 2,316,534 MEMBERS' FUNDS 2,632,783 2,316,534	Other current assets	6	96,517	100,450
Financial assets 7 12,665 28,265 Other Assets 8 2,716,847 2,162,423 Plant and equipment 9 100,721 221,162 Right of Use Asset 11 104,285 188,393 TOTAL NON-CURRENT ASSETS 2,934,517 2,600,243 TOTAL ASSETS 5,602,836 5,821,033 CURRENT LIABILITIES 12 2,506,270 3,012,196 Short term provisions 13 330,475 264,788 Lease Liability 11 110,090 102,181 TOTAL CURRENT LIABILITIES 2,946,835 3,379,165 NON-CURRENT LIABILITIES 2,946,835 3,379,165 NON-CURRENT LIABILITIES 23,218 125,334 TOTAL NON-CURRENT LIABILITIES 23,218 125,334 TOTAL LIABILITIES 2,970,053 3,504,499 NET ASSETS 2,632,783 2,316,534 MEMBERS' FUNDS Accumulated Surplus 2,632,783 2,316,534	TOTAL CURRENT ASSETS		2,668,319	3,220,790
Other Assets 8 2,716,847 2,162,423 Plant and equipment 9 100,721 221,162 Right of Use Asset 11 104,285 188,393 TOTAL NON-CURRENT ASSETS 2,934,517 2,600,243 TOTAL ASSETS 5,602,836 5,821,033 CURRENT LIABILITIES 12 2,506,270 3,012,196 Short term provisions 13 330,475 264,788 Lease Liability 11 110,090 102,181 TOTAL CURRENT LIABILITIES 2,946,835 3,379,165 NON-CURRENT LIABILITIES 23,218 125,334 TOTAL NON-CURRENT LIABILITIES 23,218 125,334 TOTAL LIABILITIES 2,970,053 3,504,499 NET ASSETS 2,632,783 2,316,534 MEMBERS' FUNDS Accumulated Surplus 2,632,783 2,316,534	NON-CURRENT ASSETS			
Plant and equipment 9 100,721 221,162 Right of Use Asset 11 104,285 188,393 TOTAL NON-CURRENT ASSETS 2,934,517 2,600,243 TOTAL ASSETS 5,602,836 5,821,033 CURRENT LIABILITIES 12 2,506,270 3,012,196 Short term provisions 13 330,475 264,788 Lease Liability 11 110,090 102,181 TOTAL CURRENT LIABILITIES 2,946,835 3,379,165 NON-CURRENT LIABILITIES 23,218 125,334 TOTAL NON-CURRENT LIABILITIES 23,218 125,334 TOTAL LIABILITIES 2,970,053 3,504,499 NET ASSETS 2,632,783 2,316,534 MEMBERS' FUNDS Accumulated Surplus 2,632,783 2,316,534	Financial assets	7	12,665	28,265
TOTAL NON-CURRENT ASSETS 2,934,517 2,600,243	Other Assets	8	2,716,847	2,162,423
TOTAL NON-CURRENT ASSETS 2,934,517 2,600,243 TOTAL ASSETS 5,602,836 5,821,033 CURRENT LIABILITIES Trade and other payables 12 2,506,270 3,012,196 Short term provisions 13 330,475 264,788 Lease Liability 11 110,090 102,181 TOTAL CURRENT LIABILITIES 2,946,835 3,379,165 NON-CURRENT LIABILITIES 23,218 125,334 TOTAL NON-CURRENT LIABILITIES 23,218 125,334 TOTAL LIABILITIES 2,970,053 3,504,499 NET ASSETS 2,632,783 2,316,534 MEMBERS' FUNDS 2,632,783 2,316,534	Plant and equipment		100,721	221,162
TOTAL ASSETS 5,602,836 5,821,033 CURRENT LIABILITIES Trade and other payables 12 2,506,270 3,012,196 Short term provisions 13 330,475 264,788 Lease Liability 11 110,090 102,181 TOTAL CURRENT LIABILITIES 2,946,835 3,379,165 NON-CURRENT LIABILITIES 23,218 125,334 TOTAL NON-CURRENT LIABILITIES 23,218 125,334 TOTAL LIABILITIES 2,970,053 3,504,499 NET ASSETS 2,632,783 2,316,534 MEMBERS' FUNDS 2,632,783 2,316,534 MEMBERS' FUNDS 2,632,783 2,316,534	Right of Use Asset	11	104,285	188,393
CURRENT LIABILITIES Trade and other payables 12 2,506,270 3,012,196 Short term provisions 13 330,475 264,788 Lease Liability 11 110,090 102,181 TOTAL CURRENT LIABILITIES Lease Liability 11 23,218 125,334 TOTAL NON-CURRENT LIABILITIES TOTAL LIABILITIES 2,970,053 3,504,499 NET ASSETS 2,632,783 2,316,534 MEMBERS' FUNDS Accumulated Surplus 2,632,783 2,316,534	TOTAL NON-CURRENT ASSETS		2,934,517	2,600,243
Trade and other payables 12 2,506,270 3,012,196 Short term provisions 13 330,475 264,788 Lease Liability 11 110,090 102,181 TOTAL CURRENT LIABILITIES Lease Liability 11 23,218 125,334 TOTAL NON-CURRENT LIABILITIES TOTAL LIABILITIES 23,218 125,334 TOTAL LIABILITIES NET ASSETS 2,970,053 3,504,499 NET ASSETS MEMBERS' FUNDS Accumulated Surplus 2,632,783 2,316,534	TOTAL ASSETS		5,602,836	5,821,033
Trade and other payables 12 2,506,270 3,012,196 Short term provisions 13 330,475 264,788 Lease Liability 11 110,090 102,181 TOTAL CURRENT LIABILITIES Lease Liability 11 23,218 125,334 TOTAL NON-CURRENT LIABILITIES TOTAL LIABILITIES 23,218 125,334 TOTAL LIABILITIES NET ASSETS 2,970,053 3,504,499 NET ASSETS MEMBERS' FUNDS Accumulated Surplus 2,632,783 2,316,534	CURRENT LIABILITIES			
Short term provisions 13 330,475 264,788 Lease Liability 11 110,090 102,181 TOTAL CURRENT LIABILITIES Lease Liability 11 23,218 125,334 TOTAL NON-CURRENT LIABILITIES 23,218 125,334 TOTAL LIABILITIES 2,970,053 3,504,499 NET ASSETS 2,632,783 2,316,534 MEMBERS' FUNDS Accumulated Surplus 2,632,783 2,316,534		12	2.506.270	3.012.196
Lease Liability 11 110,090 102,181 TOTAL CURRENT LIABILITIES 2,946,835 3,379,165 NON-CURRENT LIABILITIES 11 23,218 125,334 TOTAL NON-CURRENT LIABILITIES 23,218 125,334 TOTAL LIABILITIES 2,970,053 3,504,499 NET ASSETS 2,632,783 2,316,534 MEMBERS' FUNDS Accumulated Surplus 2,632,783 2,316,534				
NON-CURRENT LIABILITIES 11 23,218 125,334 TOTAL NON-CURRENT LIABILITIES 23,218 125,334 TOTAL LIABILITIES 2,970,053 3,504,499 NET ASSETS 2,632,783 2,316,534 MEMBERS' FUNDS 2,632,783 2,316,534 Accumulated Surplus 2,632,783 2,316,534		11		•
Lease Liability 11 23,218 125,334 TOTAL NON-CURRENT LIABILITIES 23,218 125,334 TOTAL LIABILITIES 2,970,053 3,504,499 NET ASSETS 2,632,783 2,316,534 MEMBERS' FUNDS 2,632,783 2,316,534 Accumulated Surplus 2,632,783 2,316,534	TOTAL CURRENT LIABILITIES		2,946,835	3,379,165
Lease Liability 11 23,218 125,334 TOTAL NON-CURRENT LIABILITIES 23,218 125,334 TOTAL LIABILITIES 2,970,053 3,504,499 NET ASSETS 2,632,783 2,316,534 MEMBERS' FUNDS 2,632,783 2,316,534 Accumulated Surplus 2,632,783 2,316,534	NON-CURRENT LIABILITIES			
TOTAL LIABILITIES 2,970,053 3,504,499 NET ASSETS 2,632,783 2,316,534 MEMBERS' FUNDS Accumulated Surplus 2,632,783 2,316,534		11	23,218	125,334
NET ASSETS 2,632,783 2,316,534 MEMBERS' FUNDS 2,632,783 2,316,534 Accumulated Surplus 2,632,783 2,316,534	TOTAL NON-CURRENT LIABILITIES		23,218	125,334
MEMBERS' FUNDS Accumulated Surplus 2,632,783 2,316,534	TOTAL LIABILITIES		2,970,053	3,504,499
Accumulated Surplus 2,632,783 2,316,534	NET ASSETS		2,632,783	2,316,534
TOTAL MEMBERS' FUNDS 2 632 783 2 316 534			2,632,783	2,316,534
2,002,100 2,002,100	TOTAL MEMBERS' FUNDS		2,632,783	2,316,534

The accompanying notes form part of the financial statements

Statement of Changes in Members' Funds for the Year Ended 30 June 2023

	30 June 2023 \$	30 June 2022 \$
Balance at beginning of year Surplus / (Loss) attributable to Members	2,316,534 316,249	2,056,505 260,029
Balance at end of year	2,632,783	2,316,534

The accompanying notes form part of the financial statements

Statement of Cash Flow For the Year ended 30 June 2023

	Note	30 June 2023 \$	30 June 2022 \$
CASH FLOWS FROM OPERATING			
ACTIVITIES Receipts from customers		2,805,704	2,493,948
Interest received		31,900	5,403
Payments to suppliers and employees		(3,313,163)	(2,537,603)
Net cash provided by operating activities	16b	(475,559)	(38,252)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(36,207)	(90,239)
Proceeds from sale of plant and equipment		130,135	(00,200)
Net cash (used in) investing activities		93,928	(90,239)
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease payments		(103,506)	(82,424)
Borrowings		-	(19,800)
Net cash (used in) financing activities		(103,506)	(102,224)
Net (decrease)/increase in cash held		(485,137)	(230,715)
Cash at the beginning of the year		2,202,538	2,433,253
Cash at the end of the year	16a	1,717,401	2,202,538

The accompanying notes form part of these financial statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures 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.

Accounting Policies

a. Revenue

Revenue recognition

The Company has applied AASB 15: Revenue from Contracts with Customers (AASB 15) and AASB 1058: Income of Not-for-Profit Entities (AASB 1058).

Operating Grants

When the Company receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Company:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations.

When the contract is not enforceable or does not have sufficiently specific performance obligations, the Company:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (e.g. AASB 9, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Policies

a. Revenue (cont'd)

If a contract liability is recognised as a related amount above, the Company recognises income in profit or loss when or as it satisfies its obligations under the contract.

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

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

No changes to comparative information were required given the adoption of AASB 15: Revenue from Contracts with Customers.

All revenue is recognised at the point of sale/service recognition, and is sourced in Australia. There are no unsatisfied performance obligations.

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

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.

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.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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:

30/06/2023

Office, furniture and equipment 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.

e. Trade and Other Receivables

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

For trade receivables that do not have a significant financing component, the Company applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Company recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

f. Trade and Other Payables

Trade payables and other accounts payable were 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 (i.e. trade date accounting is adopted).

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.)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

g. Financial Instruments (cont'd)

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.

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;

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

g. Financial Instruments (cont'd)

- 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.

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 (i.e. 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 (i.e. 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.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

g. Financial Instruments (cont'd)

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;
- lease receivables;
- contract assets (e.g. 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.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

g. Financial Instruments (cont'd)

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 (i.e. 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.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (e.g. 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 meets 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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

g. Financial Instruments (cont'd)

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 (e.g. 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.

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 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 Company's obligations for long-term employee benefits were 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.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

h. Employee Benefits (cont'd)

Superannuation

Contributions were 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

At inception of a contract, in accordance with AASB 16 (applicable this year) CCF (NSW) Ltd assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by CCF (NSW) Ltd where CCF (NSW) Ltd is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, CCF (NSW) Ltd uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options: and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that CCF (NSW) Ltd anticipates to exercise a purchase option, the specific asset is deprecated over the useful life of the underlying asset.

Concessionary Leases

For leases that have significantly below-market terms and conditions principally to enable CCF (NSW) Ltd to further its objectives (commonly known as peppercorn/concessionary leases), CCF (NSW) Ltd has adopted the temporary relief under AASB 2018-8 and measures the right of use assets at cost on initial recognition.

CCF (NSW) Ltd as lessor

If CCF (NSW) Ltd leases floor space in their buildings to external parties, upon entering into each contract as a lessor, it assesses if the lease is a finance or operating lease.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

i. Leases (cont'd)

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (e.g. legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over 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 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 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.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. 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.

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 2023, 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 5. The Board believes that the full amount of the remaining debtors was recoverable.

m. New Accounting Standards for Application in Future Periods

There are no new Accounting Standards issued by the AASB that are not yet mandatory applicable to the Company, that are expected to have a significant impact on the Company when adopted in future periods.

	30 June 2023 \$	30 June 2022 \$
NOTE 2: REVENUE		
Operating activities:		
Membership Income (Subscriptions)	1,714,147	1,507,307
Sponsorship	234,707	238,113
Functions	557,621	354,960
CCF Bulletins	28,872	37,984
Interest Income	31,900	5,403
Projects Income	62,504	145,613
Other Income	36,504	37,152
Government Grants	79,175	158,514
Total Revenue	2,745,430	2,485,046
Sources of Revenue by Customer/Activity:		
Members	1,714,147	1,507,307
Government	79,175	158,514
Other Parties	952,108	819,225
	2,745,430	2,485,046

All revenue is sourced in Australia. There are no outstanding performance obligations in relation to the recorded revenue by the company.

	orada rovenad by and dempany.		
	TE 3: PROFIT/(LOSS) FROM ORDINARY TIVITIES		
	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	(31,928)	-
		(31,928)	-
b.	Auditor's Remuneration Auditor's remuneration – Audit of Financial		
	Statements Other services	9,000	9,000
	Other Services	0.000	0.000
		9,000	9,000
c.	Operating Leases		
	Rent	23,863	18,615
		23,863	18,615
d.	Depreciation and Amortisation		
	Plant and equipment and Website	34,069	24,752
	Motor vehicles	40,014	55,047
		74,083	79,809

		30 June 2023 \$	30 June 2022 \$
NO	TE 3: PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
e.	Levy National office levy The levy is imposed by the CCF National to assist in fund operations.	105,823 ing the	102,750
f.	Employee related Wages & Salaries Superannuation Employee benefits (leave and other entitlements)	1,174,777 132,691 61,980 1,369,448	1,029,023 120,797 46,711 1,196,531

	30 June 2023 \$	30 June 2022 \$
NOTE 4: CASH AND CASH EQUIVALENTS Current		
Cash on hand	500	500
Cash at bank	1,316,901	1,402,038
Short-term bank deposits	400,000	800,000
	1,717,401	2,202,538
NOTE 5: TRADE AND OTHER RECEIVABLES a. Current		

Trade debtors	861,797	953,971
Less: Provision for doubtful debts	(10,000)	(41,928)
	851,797	912,043

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. The movement in the credit loss provision amounted to \$31,928 this year.

	30 June 2023 \$	30 June 2022 \$
NOTE 6: OTHER CURRENT ASSETS		
Current		
Prepayments and Security Deposits	96,517	100,450
	96,517	100,450
NOTE 7: FINANCIAL ASSETS		
a. Non-Current		
Shares in unlisted company – at Branch Board valuation (i)	1,000	5,000
The National Training Resources Unit (NTRU) (ii)	11,665	23,265
	12,665	28,265

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 expected net cashflows to be received.

(ii)The NSW Executive and Audit & Compliance Committee determined the value of the NTRU, reviewing it at a minimum every 2 years.

	30 June 2023 \$	30 June 2022 \$
NOTE 8: OTHER NON CURRENT ASSETS		
Cert & GoldPO System Professional Development Programs	90,564 2,626,283 2,716,847	91,434 2,070,989 2,162,423
NOTE 9: PLANT AND EQUIPMENT Motor vehicles – at cost Less: Accumulated depreciation	117,809 (62,064) 55,745	285,439 (107,115) 178,324
Furniture and equipment – at cost Less: Accumulated depreciation	349,685 (304,709) 44,976	319,067 (276,228) 42,838
Total plant and equipment – net book value	100,721	221,162
Reconciliation of movements in plant and equipmen	t	
Motor vehicle – at cost Carrying amount at beginning of the year Additions Disposals Depreciation expense	178,324 - (82,565) (40,014)	181,365 71,717 (19,701) (55,057)
Carrying amount at end of the year	55,745	178,324
Furniture and equipment Carrying amount at beginning of the year Additions Disposals (net) Depreciation expense	42,838 36,207 - (34,069)	49,068 18,522 - (24,752)
Carrying amount at end of the year	44,976	42,838
Total carrying amount at end of the year	100,721	221,162
NOTE 10: WEBSITE DEVELOPMENT COSTS		
Carrying amount at beginning of the year Depreciation	2,520 (2,520)	2,520 (2,520)

NOTE 11: INTANGIBLES

a. Leases - Right of Use Assets (ROU) and related Liability

	30 June 2023 \$	30 June 2022 \$
Right-of-use asset		
Right-of-use asset recognised	188,393	271,968
Additions/Adjustments to right-of-use assets	-	1,979
Amortisation Charge for right-of-use asset	(84,108)	(85,554)
Carrying amount of right -of-use assets	104,285	188,393
Lease liability Lease liability recognised	227,515	294,674
, ,	227,313	•
Additions/Adjustments to lease liability	0.000	1,979
Add interest expense	9,299	13,286
Less lease payments	(103,506)	(82,424)
Carrying amount of lease liability	133,308	227,515
Maturity		
Within 1 Year	110,090	102,181
More than 1 Year but less than 5 Years	23,218	125,334
More than 5 years	-	-
•	133,308	227,515

CCF's lease portfolio includes buildings. The lease term is 4 years (after an extension option was executed) and is accounted for in accordance with AASB16.

Options to extend or terminate

The option to extend or terminate is contained in the property lease. These clauses provide CCF opportunities to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by CCF. The extension options or termination options which were probable to be exercised have been included in the calculation of the Right of Use asset.

The right-of-use asset and related liability refers to the lease of the current office premises.

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 year and project funding received for subsequent reporting year 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 2023 \$	30 June 2022 \$
NOTE 13: PROVISIONS		
a. Current		
Provisions for annual leave	231,455	177,705
Provisions for long service leave	99,020	87,083
	330,475	264,788
Aggregate employee entitlement liability	330,475	264,788
riggiogate employee entitionient habitity	000,110	201,100
b. Movement in Provisions		
Annual Leave		
Opening balance	177,705	148,999
Additions	81,170	80,446
Utilised	(27,420)	(51,740)
Closing balance	231,455	177,705
Long Service Leave		
Opening balance	87,083	67,159
Additions	11,937	19,924
Utilised	-	<u>-</u>
Closing balance	99,020	87,083

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 year 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 year of service.

NOTE 14: 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)

NOTE 14: KEY MANAGEMENT PERSONNEL COMPENSATION (Cont'd)

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

KMP compensation	30 June 2023 \$	30 June 2022 \$
Short-term employee benefits	312,602	300,551
Post-employment benefits	30,000	27,500
Other long-term benefits	35,039	12,867
	377,641	340,918

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 2023 \$	30 June 2022 \$
NOTE 15: BORROWINGS		
a. Current Hire Purchase Liability	-	

c. Terms and Conditions

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

	30 June 2023 \$	30 June 2022 \$
NOTE 16: CASH FLOW INFORMATION		
a. Reconciliation of Cash Cash on hand Cash at bank Call deposit	500 1,316,901 400,000 1,717,401	500 1,402,038 800,000 2,202,538
b. Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Operating profit after income tax	316,249	260,029
Non-cash flows in profit/(loss) from ordinary activities		
 Depreciation and amortisation Amortisation and finance charges – AASB 16 Net profit on sale of PPE 	74,083 93,407 (47,570)	79,809 98,840 26,983
Net movement in credit loss provisionDevaluation of financial assets	(31,928) 15,600	6,004
Changes in operating assets and liabilities Decrease/(Increase) in receivables Decrease/(Increase) in other assets Decrease/(Increase) in inventory (Decrease)/Increase in trade & other payables (Decrease)/Increase in provisions	92,174 (550,491) 3,155 (505,926) 65,688	12,399 (714,485) (3,907) 160,650 48,630
Net cash provided by operating activities	(475,559)	(38,252)

c. Credit Facility

The Company had a business card credit facility of \$50,000. At 30 June 2023, the utilised facility was \$nil.

CIVIL CONTRACTORS FEDERATION NSW LTD ANNUAL REPORT 2022-2023

Notes to the Financial Statements for the Year Ended 30 June 2023 (cont'd)

NOTE 17: CAPITAL COMMITMENTS

At 30 June 2023, the entity has no capital commitments.

NOTE 18: EVENTS SUBSEQUENT TO BALANCE DATE

At 30 June 2023, there are no subsequent events to report.

NOTE 19: ECONOMIC DEPENDENCY

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

NOTE 20: 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 21: 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 AASB160: General Purpose Financial Statements Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities and the Corporations Regulations 2001.
 - b. give a true and fair view of the financial position of the entity as at 30 June 2023 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.

h	My.	
Director		

Dated this 10th day of August 2023.



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 2023, 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:

- giving a true and fair view of the entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards AASB160; General Purpose Financial Statements Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities 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 2023, 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 AASB160: General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities 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.

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.



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

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.

& Tenne Muchey or Philipson

Stannards Accountants and Advisors

Michael B Shulman Partner

Melbourne, VIC Dated: 10 August 2023



TO OUR ASSOCIATE MEMBERS

Thank you very much...





























































































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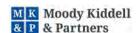






















































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