



# ANNUAL REPORT 2020

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The Annual Report is a review of Civil Contractors New Zealand activities for the previous 12 months.

Civil Contractors New Zealand  
Margan House  
21 Fitzherbert Terrace  
Thorndon  
Wellington 6011  
PO Box 12013, Wellington 6144  
0800 692 376  
info@civilcontractors.co.nz  
[www.civilcontractors.co.nz](http://www.civilcontractors.co.nz)



**Civil**  
CONTRACTORS  
New Zealand

# ANNUAL REPORT 2020

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Cover: Tirohanga Whanui Bridge – Fulton Hogan

Inside: Early morning concrete pour for the Avon River Precinct – Downer NZ



## PRESIDENT'S REPORT 2019-2020

Coming to the end of my term as CCNZ President, I am proud of CCNZ's work for the civil construction industry. We have tackled some major challenges. We are making a very real difference through our advocacy efforts, which centre around a healthy construction industry.

Our approach is based on listening to members, then working to come up with good solutions for the challenges and opportunities the industry faces. Working with key clients and the Construction Accord to communicate the needs of industry has yielded rich rewards, whether this be through branch meetings with local council groups or working directly with central government agencies at a national level. More people and organisations are seeing the value of working with CCNZ.

I'd like to recognise the Executive Council's contribution and role of our branch executive committees in this. We have a good balance of SMEs and larger companies. Through my lens, there's less of an 'us and them' mentality. We're representative of the whole industry. More like the networks of head contractors, subcontractors and suppliers that make up the projects our teams work on.

We all chip in, we look to the future, we work towards a common goal. That philosophy is evident in our management team, ably led by Peter Silcock. Everyone has delivered on their responsibilities. It has been a team effort that deserves credit.

It was a huge disappointment that I could not attend our 2020 branch AGMs or national conference and AGM this year to thank the individuals working at a regional and national level in person for all that they have done. To meet and celebrate is very important. But there will be opportunities to celebrate when things get back to normal.

I'm proud of how CCNZ has rallied the industry when faced by the challenges posed by Covid-19. This hasn't happened by luck, there's been a lot of hard work. Right now, we are focussed on the job at hand. If we'd had a pandemic event four or five years ago, we might have struggled. But we have built the organisation to a place where it can roll with the punches and shine in

times of adversity.

So, what has changed from when I started on the Executive Council? For one thing, I think we're a lot more mature. Back then, we were in transition, amalgamating Contractors Federation and Roothing New Zealand. Now we're a lot more focussed on delivering value and giving back to members, identifying industry issues and coming up with good solutions.

We have a long list of completed projects, such as a pavement performance review and numerous technical publications, including a huge effort in the form of the revised *Best Practice Guideline: Safe Handling of Bituminous Materials Used for Roothing*. We have created opportunities to share perspectives through successful conferences, roadshows, branch meetings and a new full-day bitumen workshop 'Preventing Tarmageddon'.

CCNZ is more resilient and agile. We have moved with the times and communicate through webinars, online meetings, websites and social media platforms. Increased media and advocacy efforts mean we are recognised as the authoritative, credible voice of industry.

There are certainly a lot of challenges ahead of us, but CCNZ has proven its ability to respond and be a forceful voice for contractors. This is a time where contractors need to unite and work not just as a team of friendly competitors, but as a key part of 'NZ Inc'. When individual contractors go off lobbying central or local government, they are a single business, a voice in the crowd. Through CCNZ and its participation in initiatives like the Construction Accord we get better visibility, and better outcomes.

I look forward to seeing what's next on the path we have set and continuing to serve the industry on the CCNZ Executive Council as Past President.

**Tim Ford - CCNZ President**



## CHIEF EXECUTIVE'S REPORT 2019-2020

It has been a very busy year for CCNZ. Advocacy for a stronger pipeline of work at both a national and regional level and improved procurement that supports a healthy industry and enables us to build capability and capacity to meet the nation's future infrastructure needs have been our key focus areas.

CCNZ is the voice of the civil construction industry. We actively represent contractors and are recognised and respected by Government, the media and other industry organisations as a progressive future-focused organisation and a source of reliable information and commentary. Our mission is to be a strong advocate on behalf of members in order to maintain a sustainable industry and assist you, our members, to build quality infrastructure.

Having a broad membership means we provide representation for the whole industry, from SMEs and suppliers to large contractors. This whole-of-industry viewpoint we offer has proven its value as we move to a more collaborative environment under the Construction Accord.

The civil construction industry is fast gaining status and recognition. We have achieved a lot over the past year, including support for and establishment of the Infrastructure Commission, creation of the Construction Accord, implementation of the Reform of Vocational Education and several big wins in the procurement and construction contracts space.

We will follow through on this work by continuing to take a lead role in initiatives like the proposed review of the NZS 3910 contract, changing education and training delivery, the *Code of Practice for Temporary Traffic Management* review, implementation of the pavement performance review recommendations, and increased work pipeline visibility and consistency.

Improving engagement for members has been a real focus over the past year, with a lot of effort going into better systems to communicate with and deliver value. I'd like to thank my team for their commitment in getting these systems established. We now have the right tools, and a strong team that works together to provide benefits to members.

That team and wider range of digital communication channels enabled CCNZ to quickly react to the challenges thrown at us by Covid-19. Despite the cancellation of

Branch Meetings, our 2020 National Conference, Awards and the National Excavator Operator Competition we were able quickly to take a lead role in getting clear and consistent information to members.

The benefits of contractors working together at both a local and national level shines through. In the past year, through discounts and special offers, we have saved members more than \$5 million and we have also hosted over 100 networking and educational events.

We ended the financial year in a very strange place. After two years of advocacy we saw the NZ Upgrade programme released and the promise of 'shovel-ready' projects for the forward work pipeline. But since then, local government and some private clients have gone into their own sort of 'lockdown' in terms of issuing tenders. I hope by the time you read this, some of these projects will have come to market.

As we navigate the fallout from Covid-19 over the next year, CCNZ has a key role in representing the industry and supporting the strong role civil construction can and must take in New Zealand's recovery.

CCNZ ended the 2019-20 year with a surplus. Our financial strength has enabled us to offer all national contractor and major associate members an optional two-month fees-free discount for 2020/2021 to assist them in dealing with the impacts of Covid-19. This discount, together with cancelled events, means we are budgeting for a significant deficit for the 2020/2021 year.

To those of you who work hard to provide input into our Executive Council, branches, technical committees, awards and excavator competitions at a regional and national level, thank you. Your work is important, and it is appreciated.

Finally, I'd like to thank our members for their continued support. I have encountered many of you at local meetings, awards evenings and during normal business. It's fantastic to support such a resilient, positive and essential industry.

**Peter Silcock – Chief Executive**



# STRATEGIC PLAN 2018-2022



VISION	MISSION	VALUES
Quality people building quality infrastructure in a safe and thriving industry	To be a strong advocate on behalf of members in order to maintain a sustainable industry and assist them to build quality infrastructure	Industry Leadership Professionalism Working Together Accountability

## ORGANISATION WIDE STRATEGIES

- Provide industry leadership
- Support a safe and healthy industry
- Promote sustainability and environmental excellence
- Optimise communications
- Raise the positive profile of the industry and CCNZ
- Engage members
- Promote the CCNZ Healthy Industry Statement
- Liaise with asset owners

## STRATEGIC OBJECTIVES

- |   |  |   |  |
|---|--|---|--|
| <h3>1 STRONG REPRESENTATION AND ADVOCACY</h3> <ul style="list-style-type: none"> <li>1.1 Seek the views of and utilise the expertise of members, branches and associates</li> <li>1.2 Strengthen networks with other industry associations</li> <li>1.3 Raise the positive public profile of the industry and CCNZ</li> <li>1.4 Represent industry on key national and regional bodies</li> </ul> | <h3>2 MEMBERS AND STAKEHOLDERS VALUE</h3> <ul style="list-style-type: none"> <li>2.1 Use a wider range of communication channels to engage with members</li> <li>2.2 Enhance member discount opportunities</li> <li>2.3 Enhance member value to recruit and retain members</li> <li>2.4 Increase CCNZ's value rating in the annual member survey</li> <li>2.5 Develop a specific recruitment package for large off-shore companies operating in New Zealand</li> </ul> | <h3>3 DEVELOP PEOPLE</h3> <ul style="list-style-type: none"> <li>3.1 Embed Civil Trades into industry</li> <li>3.2 Promote ConstructSafe as the industry H&amp;S standard</li> <li>3.3 Recognise and reward people through industry awards, competitions, events and scholarships</li> <li>3.4 Promote EPIC work/careers in infrastructure</li> <li>3.5 Develop and promote our training and people development offering</li> <li>3.6 Promote diversity</li> <li>3.7 With partners implement the road work site health and safety strategy</li> </ul> | <h3>4 OTHER</h3> <ul style="list-style-type: none"> <li>4.1 Manage industry self-regulation to enhance industry professionalism</li> <li>4.2 Inform and advise members by producing relevant, concise and timely information</li> <li>4.3 Champion best practice</li> <li>4.4 Support and develop industry sustainability initiatives</li> </ul> |
|---|--|---|--|

**COMPETITIVE ADVANTAGES**

- One voice
- Represents over 80% of the industry value
- Represents a critical NZ industry
- Branch and Associate member structure
- Great networks and relationships
- Industry Expertise
- Respected organisation

## KEY ACHIEVEMENTS FOR 2019-2020

### Advocacy and representation

- Support for establishment of the Construction Accord and Infrastructure Commission
- Representation on technical issues like pavement performance and bitumen cost adjustment
- Input into *Government Procurement Rules and Construction Procurement Guidelines*
- Advocacy around the pipeline of work and \$6.8 Billion *NZ Upgrade Programme*
- Successfully tackled unfair contract conditions
- More than 100 media articles/radio/TV interviews
- Representation for contractors on more than 30 industry groups
- Strong voice for civil contractors through the Reform of Vocational Education

### Member and stakeholder value and engagement

- Hosted thousands of CCNZ member company staff at networking events
- Used surveys, webinars and other avenues to engage with members
- Provided more than \$5 million of discounts to members
- Launched new CRM system and updated CCNZ web services
- Developed social media followers to 5,000 across all channels
- Provided information and advice to more than 100 members

### Developing people

- Expanded EPIC Careers in Infrastructure career promotion platform
- More than 500 people Civil Trades Certified, nearly 900 enrolled
- More than 120 member companies participating in CCNZ competitions and awards
- The Roadworks Site Health and Safety Improvement Programme
- Review of the *Code of Practice for Temporary Traffic Management (COPTTM)*

### Other achievements

- Ran technical and other committees and working groups to better engage with members
- Publication of the *Code of Practice: Safe Handling of Bituminous Materials Used for Roading* (BPG01)
- Renewal of Principal Business Partner and Core Associate agreements
- Led civil input into the development of *Covid-19 Work Protocols*



## ADVOCACY AND REPRESENTATION

Civil Contractors New Zealand is the voice of the civil construction industry and works to ensure contractors' views are heard. This work involves significant meetings with policymakers in central and local government, to increase awareness on topics such as the infrastructure pipeline, road work site safety and many other issues impacting civil contractors.



### Informing NZ's decision makers

CCNZ National Office regularly engages with central government and other industry associations. We have made more than 200 written and verbal submissions to organisations ranging from Government and local authorities to council-controlled organisations on a wide range of issues, discussion papers, proposals, policies, regulations and Acts. These included verbal presentations to Select Committee on the Reform of Vocational Education and creation of the NZ Infrastructure Commission.

Results have come from these submissions, notably on the New Zealand Infrastructure Commission, the Reform of Vocational Education, new procurement rules, agreement from Waka Kotahi NZ Transport Agency to review the Code of Practice for Temporary Traffic Management, agreement from WorkSafe to develop

a new good practice guide for the safety of worker and road users around road work sites. CCNZ has also successfully tackled unfair contract conditions, and successfully promoted changes to retentions and voidable transactions rules, a proposed Review of NZS 3910 – and wins on many other issues.

Increased collaboration through meetings with local and central government has been a feature of the year. CCNZ branches engage actively with local government around issues such as procurement, the forward work pipeline and regional capacity and capability.

### Media

An increasing focus on representation in mainstream media was maintained this year, with CCNZ achieving positive media coverage in every major news outlet across New Zealand and mainstream media asking for comment on significant issues on a regular basis.

CCNZ has featured across mainstream and industry media in more than 100 television interviews, radio interviews, articles and opinion editorials over the past year, including high-profile mainstream TV and newspaper coverage and an opinion editorial about the importance of infrastructure that featured in seven local newspapers and on stuff.co.nz.

### Procurement

CCNZ's Healthy Industry Statement remains a cornerstone of our advocacy work in this area. CCNZ's profile has meant central and local government are increasingly seeking our involvement and views as they develop their procurement policies, such as the *Government Procurement Rules 4th Edition*. CCNZ inputs have resulted in changes to the rules of procurement, development of the Construction Accord and more clients engaging with us about how they can become a client of choice.

### CCNZ Teletrac Navman Construction Industry Survey

The third annual Construction Industry Survey was conducted in partnership with Teletrac Navman. A report was produced from the findings and distributed to media, resulting in widespread coverage and a formal response from the newly-established Infrastructure Commission. The survey results were also distributed to members in a print report and discussed in a high-profile panel discussion at CCNZ National Conference in Rotorua.

This survey enables CCNZ to gauge the state of the industry by carrying out detailed analysis on the big issues and bringing reports on the state of the industry to decision makers and the public. It provides solid data



**Draining the water from Lake Onoke out to the ocean – JPS Earthmoving.**

to make sure the CCNZ advocacy programme is directly informed by the opinions of members.

### **Construction health and safety**

CCNZ strongly supported the establishment of Construction Health and Safety New Zealand (CHASNZ) as the national construction safety standard setting body in 2018. This relationship has flourished over the past year. CCNZ and CHASNZ have worked together on a wide variety of initiatives, including the Covid-19 response. There are also ongoing discussions with Waka Kotahi NZTA about shifting to bitumen emulsion for health and safety reasons.

Health and safety was a focus throughout the year, with CCNZ and its branches hosting mental health presentations from Mike King and others. CCNZ also supports the creation of Mates in Construction and is providing members with mental health resources.

### **Covid-19 response**

A lot of resource was put into managing the production and release to members of Covid-19 protocols for the construction industry. A team effort led to the production of consistent national guidance for those working on construction sites so they could return to work as safely as possible, communication to members and follow-up to make sure member concerns were adequately considered and addressed.

### **Road work site safety**

CCNZ, Waka Kotahi NZTA, Local Government NZ and WorkSafe have put significant effort into an ongoing effort to improve road worker safety, through the

development of a Road Work Site Safety Strategy. This has resulted directly in a review of the Code of Practice for Temporary Traffic Management and new WorkSafe guidance for safer road work sites.

### **Networks and industry representation**

CCNZ is represented on more than 30 industry associations, working parties, committees, advisory and consultative groups at both national and regional levels. Our key objective is to drive and influence change by being involved in the relevant considerations, discussions and debates as these develop.

These bodies and our extensive network of industry, government and official contacts are vital as they provide us with early warning about issues which could impact on contractors, as well as giving valuable avenues to advocate for and represent the views of contractors.

### **Construction Sector Accord**

Civil Contractors New Zealand has been able to provide extensive input to the Construction Sector Accord, which is a high-level partnership agreement between government and the wider construction industry. This led to:

- Fairer allocation of risk in Government contracts
- A clearer and more consistent Government approach to Covid-19 lockdown and claims
- Better understanding between clients, designers, engineers and contractors
- A forum to deal with industry wide issues
- Regulatory changes to support industry health and productivity





## VALUE AND ENGAGEMENT FOR MEMBERS AND STAKEHOLDERS

Members join CCNZ because they want to be part of a network of professional contractors and ensure that we have a safe, viable and progressive industry.

They value an organisation run by and working for contractors – and opportunities to save money through the shared buying power an association can offer.



### Providing discounts and opportunities for members

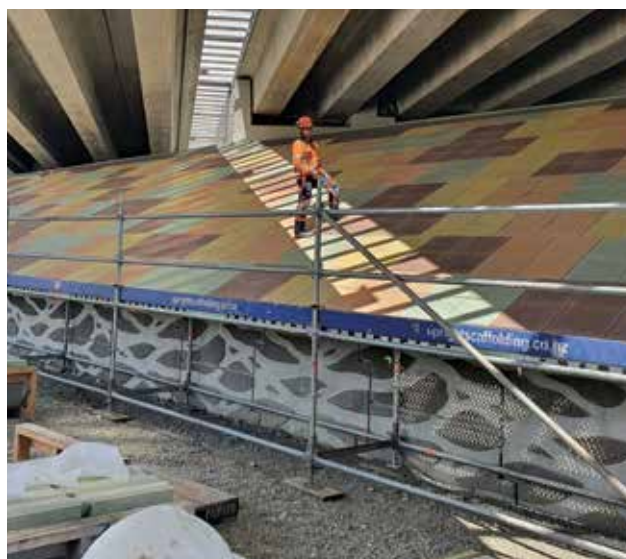
Our relationship with n3 – CCNZ’s trade discount partner – topped four million dollars this year. Each CCNZ member actively using n3 saved more than \$10,000 on average.

Adding to this the value of Z fuel discounts, 15 minutes free legal advice from Kensington Swan, group health insurance with nib and Advice Financial and other discounts, CCNZ members have saved more than five million dollars through membership in the past year alone. This amount is nearly triple our annual membership subscription fees.

### Subcommittees

During the year we have operated several CCNZ subcommittees to better engage with members. These committees also give us vital input to update industry codes of practice.

- Traffic Committee
- Pavements Committee
- Surfacing Committee
- Asphalt Committee
- Network Outcomes Contract (NOC) Committee
- National Excavator Operator Competition (NEOC) Committee
- Environment Committee
- Large Contractor CEO Forum
- HR & Communications Group
- Civil Trades Board
- Education and Training Committee





## DEVELOPING PEOPLE

CCNZ continues to take a leadership role in championing skills development in civil construction, working with members, branches and partners to develop the industry's workforce, capability and capacity.

### Civil Trades

Civil Trades is an industry driven initiative which recognises the expertise and knowledge of people working on civil construction sites and creates a clear career pathway for those entering the industry. To become Civil Trades qualified, people must hold an appropriate Level 4 Qualification, have done 8,000 hours work in the industry and have demonstrated their knowledge and expertise through a professional discussion.

There are now more than 500 qualified Civil Trades people, and more than 900 people enrolled in either NZ

Civil Infrastructure apprenticeships or in active training, going through to obtain the required Level 4 Qualification. CCNZ thanks Connexis and the individuals who serve on the Civil Trades Board for their work on this highly successful initiative.

### Education and Training

CCNZ has ramped up its efforts in the education and training space since the announcement of the Reform of Vocational Education, looking to resolve longstanding barriers to career development and streamline pathways for workers to gain skills as well as qualifications.

Pre-apprenticeship training and workforce intake will be a focus over the coming year as we wait to see if Government is able to bring forward projects fast enough for the civil construction industry to provide meaningful employment for more people.



### Awards and competitions

CCNZ's national awards programme, the Hirepool Construction Excellence Awards, is recognised as the peak national project awards programme for the civil construction industry. The Z People Awards and Connexis Company Training Awards provide valuable opportunities to recognise standout performers within the industry.

The 2019 national awards results are detailed in the awards section of this report. Branch awards are valuable for the industry as they give members a chance to meet, celebrate and build better working relationships at a regional level. They provide regional recognition of standout achievements, projects and people in the industry.

CCNZ is grateful for the valuable in-kind support provided by major associates at branch and national level. A new Major Associate Award was introduced at our 2019 conference to recognise this relationship, with

nominations and voting carried out by branches and Executive Council. Hirepool emerged as this year's winner for its support for contractors and their communities at a national and regional level.

### Regional and National Excavator Operator Competitions

CCNZ branches have contributed a lot of time and effort into running eleven well attended and professional regional excavator competitions across the country. These regional events showcase the regional industry, often at events such as Big Boys Toys in Auckland, which was attended by more than 33,000 people over three days and National Field Days, which is attended by more than 100,000 people. CCNZ congratulates all the regional champions.

Unfortunately, this year's National Excavator Operator Competition had to be cancelled at short notice due to the outbreak of the global coronavirus pandemic.



### EPIC Careers in Infrastructure

The EPIC Careers in Infrastructure career promotion platform launched in August 2018 to address critical skills shortages in civil construction, following a year in development.

It was initially funded for three years, which extended to 31 March 2020. Since launch, EPIC has reached Kiwis

more than 700,000 times through cinema advertising, promotion, social media and in-person events. It has forged partnerships with organisations and agencies ranging from government agencies such as the Ministry of Education and Ministry of Social Development to regional economic development agencies and schools.

Further resources were developed in 2019-20, including

#### Key achievements

- Production of the second EPIC People video series showcasing how people have established successful careers in civil construction
- Introduction of the EPIC Photo Competition
- EPIC Careers Hubs at REOCs, National Conference, and other events
- Provision of EPIC resources to branch secretaries for regional member use
- EPIC resources used at more than 100 events
- Pilot of two virtual reality civil construction experiences in partnership with the Ministry of Social Development
- Promotion of civil construction work on the Careers Coach, which tours NZ schools





a second series of EPIC People videos in January and February 2020, viewed more than 60,000 times. CCNZ operated the first round of its new EPIC Photo Competition at the start of 2020, receiving more than 50 entries from contractors. A new blog has been developed to share contractor stories with a wider audience.

Events such as Regional Excavator Operator Competitions provided a platform for school invitations, with the promotion featuring at the Auckland, Otago and Southland REOCs. Career seekers were invited to the CCNZ National Conference in Rotorua for an introduction to the industry, and EPIC also sponsored the Careers and Transition Education Association (CATE) conference in Napier to build relationships with careers advisors across the country.

An EPIC Careers Hub was planned for the National Excavator Operator Competition at Central Districts Field Days to promote awareness of the careers on offer and

deliver basic skills and understanding such as excavator pre-starts that would make people more employable, however this event was cancelled due to Covid-19.

A strategy for a further three years was drafted and approved by the Executive Council, however this had to be reconsidered following the Covid-19 pandemic to reflect budget restrictions. EPIC will continue over the coming years, but in the 2020-21 year it will depend more on existing resources and the efforts of CCNZ, its members and partner organisations. The EPIC budget now comes solely from CCNZ National Office, and branch contributions are on hold.

Priorities for the upcoming year include more direct outreach, more efforts to engage with contractors, more efforts to encourage uptake amongst partner organisations and more direct connections between EPIC and avenues for employment, such as listing contractors on the EPIC map or funnelling recruitment to CCNZ's major associate recruitment partners.

## OPERATIONS

### Branches

CCNZ branches create a direct link to members in the regions. Branch meetings, events and competitions improve every year. This provides opportunities for members to network, gain knowledge and showcase skills and expertise. Significant voluntary input from contractor and associate members ensures events like regional awards evenings and excavator operator competitions are successful.

Branches and regional managers are also active in engaging with local authorities, meeting regularly to provide feedback around procurement and the state of the regional industry.

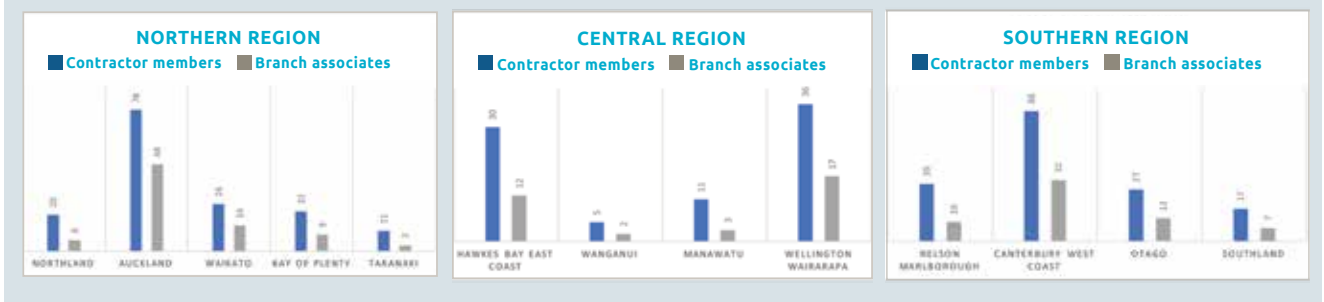
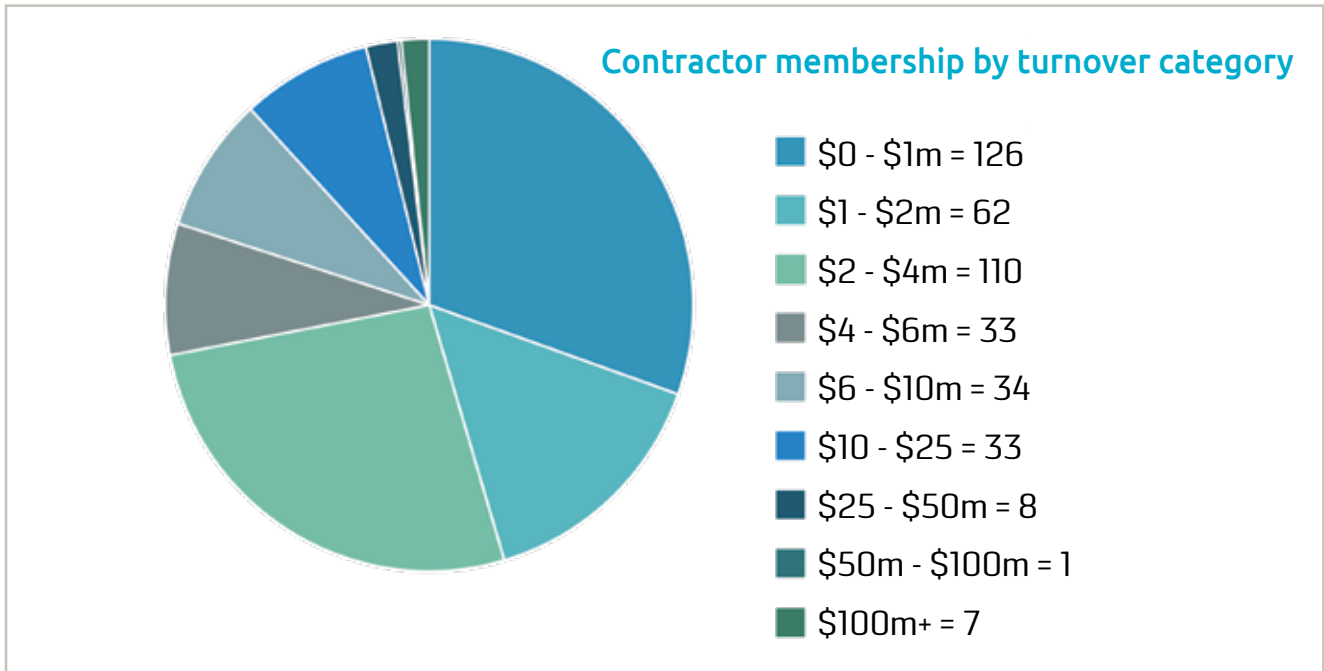
### Membership

Contractor membership was static, shrinking by 1.3% over the past year to 381 contractor members due to retirement of some members. General membership shrank by 0.9% to 619 members in total.

Since the end of the financial year, more members than in recent memory have joined the CCNZ ranks, with contractor member numbers rising to more than 400 at the time of writing. While this is out of the 2019-20 reporting year, it is worth noting, and results from efforts to improve CCNZ membership systems, raise public profile and interact with our members through timely webinars and e-newsletters, also producing relevant information such as industry protocols and best practices.

#### CCNZ Members March 2017 – March 2020

	March 2017	March 2018	March 2019	March 2020
Full members	358	369	385	381
Full members (pending approval)	3	2	1	0
<b>Total contractor members</b>	<b>361</b>	<b>371</b>	<b>386</b>	<b>381</b>
Major associates, Core Associates & Principal Business Partner	42	46	42	46
Branch associates	167	178	175	177
Member subsidiary	20	20	19	15
<b>Total members</b>	<b>590</b>	<b>615</b>	<b>622</b>	<b>619</b>



## Technical

CCNZ achieved a major milestone during the year with review and publication the *Best Practice Guideline: Safe Handling of Bituminous Materials Used for Roding* (BPG01) to an online portal in October 2019. This is a very important document for CCNZ members, and the review took more than a year.

Reviewed versions of the *Bitumen Safety Handbook and Requirements for Bitumen Sprayers* (BPG02) were published based on the information in BPG01 and are available from the online portal. Bitumen awareness training and bitumen basics training will be the next part of this work in 2020-21. *Quality Assurance of Aggregates* was also published in August 2019. CCNZ is working on more publications, such as a new environmental guide, which will be available through the online store.

Relationships with government agencies and other industry organisations have been built. Issues around pavement performance were reviewed in collaboration with Waka Kotahi NZTA and other industry groups, Waka Kotahi agreed to review the *Code of Practice for Temporary Traffic Management*, and WorkSafe has also agreed to produce a complementary good practice guide.



## New CCNZ CRM System

CCNZ completed a project to integrate its member services into the CCNZ website with a full CRM system. This has been built as a news and events portal for members, as well as a repository of useful documents and resources.

An online shop and members-only portal is built into the revised website, which also includes a find-a-contractor map for clients to contact a local contractor. Over the financial year, the CCNZ website received 41,257



## CCNZ Conference

The 2019 Conference "Navigating the Future" was co-hosted with the New Zealand Roadmarkers Federation in Rotorua at Energy Events Centre from 31 July - 3 August 2019. Conference was attended by 479 people from across the country, and presenters included Mike King ONZM, City Rail Link Chief Executive Dr Sean Sweeney and BNZ Chief Economist Tony Alexander.

The conference highlights included industry presentations to help contractors navigate the future, Mike King's presentations on mental health, an EPIC schools visit to the conference exhibition floor, the Hirepool Construction Excellence Awards, Z People Awards and Connexis Company Training Awards, and the CablePrice themed dinner at the Skyline restaurant on Mount Ngongotaha.

CCNZ's 2020 Conference has been rescheduled due to the pandemic. It will be held in Wellington at Te Papa Tongarewa – The Museum of New Zealand, starting 29 July 2021.

visits from 29,132 unique visitors and 103,627 pageviews. It is anticipated this number will continue to rise with ongoing efforts to raise awareness and deliver value for members online.

## Communications

CCNZ uses its primary communications channels – *Contractor* magazine, website news and events pages, social media pages and fortnightly email newsletter Civil Talk – to keep members informed of coming initiatives, upcoming events and wider industry developments.

Efforts to upgrade communications over the past year included:

- A shift to a new email communications platform built into the CCNZ CRM system, resulting in expansion of CCNZ mailing list from 1,400 contacts to nearly 3,000
- Expansion of CCNZ social media on Facebook, LinkedIn and YouTube.
- Continued increase in mainstream media coverage

## CCNZ on social media

CCNZ established Facebook and LinkedIn accounts in July 2018. The number of social media followers has now grown to 5,000 in less than two years.

Facebook was originally selected as CCNZ's primary channel at launch under CCNZ's Social Media Strategy because it is useful for promoting events and other CCNZ initiatives through 'boosting' posts to targeted audiences. Many contractors use LinkedIn and this platform has seen by far the biggest growth in the past year, growing from under 1,000 to around 3,500 followers at year-end due to increased posting.

## Financial

The overall financial result for the year ended 31 March 2020 was a surplus of \$155,447. CCNZ National Office made a surplus of \$112,495, branches collectively made a surplus of \$15,873. CCNZ subsidiary Contrafred Publishing Company achieved a surplus of \$42,083.

Overall, CCNZ remains in a strong financial position with its branches and National Office holding equity that can be readily accessed to respond to any critical industry issues or opportunities. This has been an important part of our ability to respond to the challenges created by the global pandemic – and to support our members by offering a two-month fees-free discount for April and May 2020.

## Northland

CHAIR: KEITH COCKING



Meetings and events have been well supported by members and associates throughout the year, with the mood of the Northland Branch largely positive.

With pandemic restrictions hitting at the end of March and subsequent slow-down of infrastructure investment, our members are looking forward to seeing what stimulus comes out from the recent government budget and Provincial Growth Fund investment for Northland. There is some nervousness as to what the coming year will hold for members given Covid-19 uncertainty.

The executive committee meets every two months. Every six months there is a meeting with the three TLA councils, Northland Regional Council and NZTA to discuss civil construction in Northland. These meetings are proving very beneficial to all parties.

Our members are busy and wish to keep up to date with industry changes and news. Looking ahead, we would like to continue to attract new membership so the branch represents our whole industry in Northland. Branch membership has remained steady in the last 12 months with local membership increasing by one to 24, as well as having one new associate member join.

Financially the branch is in a secure position, having run another successful awards night. The highlight of the year was our fifth Northland Construction Awards night in conjunction with our AGM. It was held at Toll Stadium in Whangarei, and was a sell-out with 216 people attending, including CCNZ President Tim Ford.

We celebrated Brad Flower and Alistair McIntyre as Branch Life Members at this awards evening. This awards night has become the single biggest event in our programme, so it is disappointing to make the decision to cancel the June 2020 awards evening [Covid-19 indoor event restrictions] that would've celebrated the awesome achievements of our members over the last 12 months.

The Northland Regional Excavator Operator Competition was held at the Whangarei A&P Show in December. We had 11 entries which saw contestants tested and busy

**“With pandemic restrictions hitting at the end of March and subsequent slow-down of infrastructure investment, our members are looking forward to seeing what stimulus comes out from the recent government budget and Provincial Growth Fund investment for Northland”**

all day. The winner was Henry Haukinima of Wharehine Contractors, who as a first-time entrant did exceptionally well. Unfortunately, Henry and last year's national event winner, Riki Lum were not able to represent Northland at this year's National Excavator Operator Competition due to the cancellation of the event from pandemic restrictions. A special thanks to key sponsors: Hirepool, CablePrice, Humes, Connexis, Z, First Gas and Doug the Digger. Thanks also to the Regional Excavator Operator Competition Committee led by Murray Clements and Gordon Fox for the work setting up the course and facilitating the competition on the day.

A special thank you to our secretary – Lesley McCardle – for all the hard work she has done in her first year. A big thanks also to our Northern Regional Manager, James Corlett, who has assisted us with advice and key meetings whilst battling his own health challenges.

As Branch Chair, I have had tremendous support from our executive committee, which has been very much appreciated. I have enjoyed my three years as Northland Branch Chair. It has been a privilege to work with and represent our Northland members. I look forward to supporting our new Branch Chair, Cam Lornie as we move into the 20/21 financial year.





Northbridge, Matakoho Bridges  
earthworks east end of realignment  
- Fulton Hogan Aurecon.

# Auckland

CHAIR: PETER MILLAR

The start of the year remained very buoyant with ongoing projects keeping everyone busy, despite concerns around what was next in the work pipeline. Since the outbreak of Covid-19 the level of uncertainty has risen exponentially.

Stimulus in the market has been promised by Central Government, but no actual 'shovel-ready' projects have been announced at the time of this report. Along with Auckland Airport cancelling \$1.5 billion of work and the tourism industry collapse, this continues to drive uncertainty up. It may take years to fully work through the fallout. Local and Central Government must provide a framework we can follow to achieve a quick, sustainable and meaningful recovery that sets a base for future years.

The work pipeline for construction must be secured. The industry must have more surety than the current level, to enable secure work, expertise, manpower, finance, investments, and resources to ensure a continuing dynamic and progressive construction sector.

Another serious challenge to the industry is the lack of water in storage in the region, and the failure of Auckland Council to secure alternative water sources such as the Waikato River. A still unresolved resource consent lodged seven years ago now means we are being asked to find our own water or stop construction work. Auckland water reserves cannot be allowed to continue to bump along without thought to future generations. We need to secure alternative supplies now and for the immediate future. The growing population of Auckland and her future development cannot be left to the weather.

Branch membership is stable with a steady influx of new members and a few dropping off, the net result slightly up overall. We continue to promote that members bring potential new members to the bi-monthly meetings which has been successful.

In general, the branch continues to perform well. There is a mixture of older and newer members on the committee to assist on all the subcommittees, injecting new energy to take each project or event to a new level. The annual Awards Gala night was another great success, and improvements recognised from it will be carried into the next one in 2021. The night is a credit to the subcommittee and all those that help out.



**“Auckland water reserves cannot be allowed to continue to bump along without thought to future generations. We need to secure alternative supplies now and for the immediate future. The growing population of Auckland and her future development cannot be left to the weather.”**

The Regional Excavator Operator Competition subcommittee did an excellent job taking on the organising of a large Construction Zone at Big Boys Toys, again to great success. In addition to the Excavator Competition, there were displays and stands covering a large area promoting our industry.

Financially the branch is strong with good reserves. This year saw a small profit from events such as general meetings, REOC and awards night all contributing. Our meetings every two months continue to increase in popularity with attendance ranging from 230 – 280 members. Subject matter and speakers remain a strong draw card, providing a good mix of education and entertainment, along with networking opportunities. Associates have been keen to sponsor these nights and get involved. Interest in information provided by CCNZ is strong, as determined by the numbers accessing our newsletters – 500+ on one mail out.

In closing I would like to recognise the efforts of our Secretary Joyce Tilbrook, Regional Operations Manager James Corlett, and our Branch Executive Committee for their contributions over the last year. Much of the work they carry out is after hours, and their efforts are a real credit to our organisation. It is a real team effort and much appreciated.



City Rail Link construction.

## Waikato

CHAIR: ADAM PLIMMER

The Annual General Meeting in May 2019 saw the chairman role handed over from Graeme Rodgers (Success Group) to myself - Adam Plimmer (Brian Perry Civil). Graeme had been at the helm of the branch for a number of years and it was in good shape.

The Waikato Regional Awards night is one the two main highlights of the year and the 2019 function was attended by around 180 people. There were plenty of applications across four categories, and the evening went very well. Conversely, the 2020 function remains in limbo whilst we deal with the fallout from the global pandemic. We have had more than 15 entries spread over five categories and remain resolute there will be an award ceremony.

The other highlight is the Waikato Regional Excavator Operator Competition held at Fieldays at Mystery Creek. This was a roaring success, with the BoP Branch joining in the fray. Many thanks to the tireless help from the sub-committee that pulls this off every year.

Throughout the year we have focused on creating networking opportunities for our members. We have held functions such as ten pin bowling and quiz nights every two months. The contracting industry are a competitive lot – so the rivalry and banter has been healthy and great fun.

The branch has surplus funds held in secure accounts. Membership is stable, with a push to create a value proposition for members to join by providing networking opportunities with potential clients and other contractors alike – along with visits to interesting projects in the region, such as the Tauranga Southern Pipeline, Huntly Bypass and Hamilton Bypass.

The branch has continued to offer support both financially and physically to POET (Perry's Outdoor Education Trust). Attendance at some of their events and presenting to their leadership groups has been an inspiring experience.

Engagement with the clients has been a key focus over the course of the year. Lobbying government clients for changes in their procurement practices and visibility of their pipeline of work has seen some progress in this space.

Latterly I have been privileged to be invited to join the Waikato Local Authority Shared Services steering group on the Combined Infrastructure Procurement Project. This is a regionally focussed project seeking to deliver pipeline



“There was concern over loss of skills in the region with the completion of the major roading projects and Central Government u-turn on some of the large roading projects such as Tauranga Northern Link and the Cambridge-Piarere Interchange.”

visibility and more streamlines procurement policies across all of the local councils.

CCNZ are supporting this project by providing opportunities for councils to deliver their pipeline of work through CCNZ newsletter and webinar forums, as well as surveys to ensure the answers are true for contractor members. This is a work in progress and has been hampered somewhat by Covid-19, however we are nearing completion

Pre-Covid-19, the region was buoyant. Growth in roading, three waters and other areas was good with the economic outlook very positive. The completion of the Waikato Expressway and commitment to the Hamilton-Auckland commuter train increasing business confidence in the region. There was concern over loss of skills in the region with the completion of the major roading projects and Central Government u-turn on some of the large roading projects such as Tauranga Northern Link and the Cambridge-Piarere Interchange. Three waters remained a growth area in the region.

Post-Covid-19, the near term looks uncertain. Revenues have dropped for most clients, so their ability to fund growth is constrained. They are not making decisions while they digest Central Government stimulus packages. Most contractors are seeing few capital works awarded, with those involved in maintenance and emergency works being kept occupied.

CCNZ has a critical role to play in coming months to support better communication between contractors, consultants and clients in the region – along with the principles of the Construction Accord.

## Bay of Plenty

CHAIR: DAVE BURNS



The branch remains on a stable financial footing, similar to the previous year-end position. Our seed funding has been reinvested in a term deposit in the event it is required to be called upon. The general mood of the members remains positive with a good volume of work currently in the market and planned for release to the market in the year ahead. Our membership stands at 23, with three associates.

Relationships with local councils remain positive and again members have been able to attend their forward works programmes during the year. A higher health and safety focus has been maintained from clients, especially by Tauranga City Council.

Local Bay of Plenty market conditions remained busy over the last 12 months, with most contractors having a good forward workload, prior to going into the Covid-19 lockdown.

Councils have applied for the Government's 'Shovel-ready' grants, and the results of these requests are expected soon. Rotorua Lakes Council does not anticipate any reduction in the pace of its infrastructure programmes, but Tauranga City Council has not agreed any rate increases which is putting its capital spend at risk.

The Transport Agency have confirmed the Tauranga Northern link will be coming to market as part of the NZ Upgrade Programme projects. This \$478 million project will construct a 6.8km four-lane corridor connecting SH29 with SH2, with priority for public transport and a walking and cycling path. The new corridor will provide safer, more resilient access from Tauranga to one of the country's highest growth areas. Construction is scheduled to start later this year, and be completed by late 2025.

As a Branch, we have actively been offering our members greater value through site visits and a Christmas get together, which seem to have been well received. We had a

**“Relationships with the local councils remain positive and members have again been provided with the opportunity for face to face presentations on the council forward works programmes during the year.”**

visit to the Wairoa Cycleway visit in Tauranga. This was well attended and proved to be exceptionally interesting for all.

Our fishing completion was a great success and happened just before Covid-19 restrictions came into effect.

Relationships with the local councils remain positive and members have again been provided with the opportunity for face to face presentations on the council forward works programmes during the year. As a branch we presented a trench shoring seminar to Tauranga City Council and some depots for members located within Auckland.

Skilled workforce resourcing remains a challenge in the area, with high demand from most of the members depleting the available pool of candidates in the area. An increasing number of personnel are completing their Civil Trades and or commencing training in specific areas.

Recognition needs to go to Branch Secretary Mike Lenihan who remains on top of all matters relating to the Branch, but who unfortunately has had to step down from his role. He will be extremely hard to replace. Thanks to James Corlett and the Branch Committee for their continued involvement and support.



# Hawke's Bay East Coast

CHAIR: BART MULDER

This year was the first full calendar year following the amalgamation of the Gisborne and Hawkes Bay branches. Both regions showed great commitment, and Gisborne members made a great effort to get to meetings and events alike.

Hawke's Bay East Coast branch had another steady year with slight increase in full membership from thirty to thirty-two members and associates stayed strong on 17 which was one up from previous. Our financial statement was again strong and showed a good balance sheet for the year with some great events held to attribute to these numbers.

Our industry stayed strong again this year. The Hawke's Bay economy goes from strength to strength with large developments and a steady continuation of roading projects to keep all contractor portfolios steady. The skill shortage continues to be a stumbling block for most with the industry struggling to train staff to keep up with capacity.

We held our annual HB Cup race day event for a second year in April with 104 members attending, although a cold day was a great event for socialising and networking. Our excavator competition was held in conjunction with the Trucking for Child Cancer with a new venue that went off without a hitch.

The regionals were fiercely contested again with 14 entrants and a new (but old) winner in Dan Mephram, who has represented Hawke's Bay in previous years. Unfortunately, Dan did not get to show his wears this year with the cancellation of the National event in Feilding.

We held the Goughs annual dinner for the 26th year in Waipukurau in June with another strong turnout. Our members love this event as it's a chance to get out and be pampered by Gough Cat (now Terra Cat), who are the sponsor of this event.

Our annual Awards Dinner posed some challenges as we had a 30% oversubscription for attendance but with some

*"Our industry stayed strong again this year. The Hawke's Bay economy goes from strength to strength with large developments and a steady continuation of roading projects to keep all contractor portfolios steady. The skill shortage continues to be a stumbling block for most with the industry struggling to train staff to keep up with capacity."*

negotiating solved this issue with all parties happy. This attests to the strength of our members and the awards that are entered yearly. We had nine entries over five categories with some very strong entrants. Higgins went onto the national CCNZ Hirepool Construction Excellence Awards to take out the coveted \$5-20 million category.

We had eight meetings throughout the year, and I had great support from the Executive Committee, who vary from SME's and associates to tier one contractors. There is a strong skillset to keep our branch in good shape and I can't thank these people enough for their support.

Well, what can I say about the finish to our year? Covid-19 stopped us dead in our tracks, with very little time to disestablish sites and lock down. Watch this space for 2020.



# Taranaki

CHAIR: AL GREENWAY

Taranaki Branch is in a healthy financial position, with three new contractor members in the last year.

The majority of our branch members have a positive outlook for the future, despite some concerns regarding Covid-19 related cash flow issues.

In terms of local market conditions, members have had a busy early summer season due to the good weather and a buoyant local economy. Various members report Covid-19 has not in any way affected their workload. They have forward work and are very optimistic for the future.

A major achievement for the branch was the Regional Excavator Operator Competition, which was held on 17 November 2019. This was a resounding success and is the second competition after an eleven-year regional break.

John Northcott of Graham Harris won the regional title, and proceeds raised went to the Child Cancer Foundation.

The branch gives special thanks to Ross McEwan (Whitaker Civil Engineering ) and all the Taranaki Regional

*“In terms of local market conditions, members have had a busy early summer season due to the good weather and a buoyant local economy. Various members report Covid-19 has not in any way affected their workload.”*

Excavator Operator Competition committee members for the hard work to make this such a successful day. Our appreciation goes to CablePrice NZ and Humes NZ for their valued sponsorship.

Sadly, Graham Burroughs, a long-time member, passed away in April 2020. He will be missed.



**Downer's Road Science research team trialling a new asphalt mix on a section of road near Pukekura Park in New Plymouth.**

## Wanganui

CHAIR: DR WILLY MORELL



Membership in the small Wanganui Branch remains stable and the branch is on firm financial footings.

Prior to lockdown, our region was enjoying uncharacteristically buoyant times, even throughout our smaller towns. Both the commercial and residential property markets had been driving the building sector and a number of subdivisions.

Private sector growth along with a spattering of district council contracts (including the new cycle bridge and track) had been keeping things busy, although profit margins have remained tight. Accordingly, not too many of us were caught out holidaying in the South of France prior to lockdown!

In this context, Covid-19 was a bitter (but necessary) pill to swallow given the relatively good times we were experiencing. That said, most contracting firms have managed to ramp up quickly under Alert Levels 3 and 2 and are busy trying to make the most of the Indian Summer. Like elsewhere, the Government's wage subsidy and 0% interest business loans have been welcome lifelines to our members.

While the long-term outlook is anyone's guess our members remain relatively positive and most have enough work on their books for the short-term and perhaps a bit beyond. However, some larger contractors may be forced to push staff further afield for work as opportunities arise.

Several big projects including the windfarms in nearby Waverley and Palmerston North, and the \$148M upgrade of Ohakea Airforce base are likely to help buoy the demand for aggregates and civil construction staff in Wanganui and surrounds.

While members welcome the Government's 'shovel

*"While the long-term outlook is anyone's guess our members remain relatively positive and most have enough work on their books for the short-term and perhaps a bit beyond. However, some larger contractors may be forced to push staff further afield for work as opportunities arise."*

ready' projects and industry training plans, there is some scepticism around how quickly these initiatives will roll out in practice. Some members were also a little underwhelmed with the degree of consultation from Councils as these wishlists were drawn up. Most agree that stimulus packages need to be accompanied by streamlined planning and RMA practices.

As always, we would like to acknowledge the support of James Bowen and Alison McLean from Markhams for their ongoing support. Finally, the Branch would like to acknowledge the recent retirement of Allan and Ian Loader.

These brothers have been highly respected stalwarts of the Wanganui contracting scene for almost half a century and the Branch wishes them a well-deserved, long and happy retirement!





Over the Manawatu River SH1 – a crane lowering a pile casing into the river from a temporary support structure prior to driving it 20-30 metres into the river bed – Brian Perry Civil.

## Manawatu

CHAIR: GREG LUMSDEN



The branch membership has remained static in the last twelve months. The branch financial health is sound with a good surplus on the balance sheet.

The last 12 months has been a very different year for the branch due to our NEOC flagship event being cancelled at the last minute due to Covid-19. This was disappointing for all involved and the task of packing it all up again was tiresome. We hope to be back up and running next year.

The REOC was a great event with almost twenty competitors and four teams (Blackley Construction, Clarke Underground, Central Demolition and Downers Tararua Alliance with the winner being Neil Tau from Downer Tararua Alliance, runner up Jimmy Beamsley from Central Demolition and third was Rhys Stratford from Clarke Underground.

We held an open branch meeting at the Smallbore Rifle Club in Palmerston North. Following on from that, Gary Clarke from Clarke Underground is sponsoring two shooting events per year with a winners' shield up for grabs. The 2019 Christmas Function was held at Orlando Country Club in Palmerston North with an attendance of 80 people and was enjoyed by all.

The local market has continued to grow with regards to subdivision work and local authority expenditure has increased. There are quite a few shovel ready projects awaiting funding in the Manawatu area. And there are still the large projects south of Manawatu that are ongoing and will require our regions resources and manpower.

The new Manawatu gorge bypass has been announced

“The new Manawatu gorge bypass has been announced with a 7-8-year completion date. Transmission Gully will also require our region’s resources.

In the next few years Manawatu will continue to see a lift in industry activity from the impact of road investments that will link the region with Wellington and Hawke’s Bay.”

with a 7-8-year completion date. Transmission Gully will also require our region’s resources. In the next few years Manawatu will continue to see a lift in industry activity from the impact of road investments that will link the region with Wellington and Hawke’s Bay.

A major challenge for members is attracting and retaining skilled staff to resource the work coming through. Another challenge is to find ways to get branch involvement from the larger companies in the region.

Sadly, our Treasurer Sharon Cage has resigned, and we are now on the hunt for her replacement.



Emergency Sewer Repairs to install a new sewer main and bypass a collapsed sewer tunnel in Wellington - EN Ramsbottom.

# Wellington Wairarapa

CHAIR: NOEL SULZBERGER



Wellington Wairarapa Branch continues to maintain membership, with meetings well attended. As of late, we have seen a significant increase in contractor members.

During 2019, Eddie Carson stepped down as Chairman. The branch thanks Eddie for his dedication and commitment. The Executive Committee continues to look for ways to provide value within the branch with yearly events and regular meetings. Branch meetings provide great benefit and valuable time to network, share ideas and experiences and raise issues or concerns within the industry. The branch is well supported by National Office, with Chief Executive Peter Silcock regularly attending meetings along with Eve Cooper, Fraser May and our Central Regional Manager, Ross Leslie.

Financially the branch maintains a balance between having the funds to provide value to members, and sustainability and security. The branch fundraises or donates each year to at least one charity, with this year's recipients being the Child Cancer Foundation with the monies raised from the Regional Excavator Operator Competition.

In 2020, we welcomed the coalition government announcement of a range of infrastructure projects funded under the New Zealand Upgrade Programme. The \$1.35 billion being invested in Wellington during the next decade as part of the NZ Upgrade Programme will support growth under the Wellington Regional Growth Framework.

With a focus on improving safety, resilience, public transport and travel choice options, the four projects in this package are spread across the region, from the Kāpiti Coast (Ōtaki to north of Levin) and the Hutt Valley State (Highway 58 (SH58) and Melling interchange), and a range of rail network capacity improvements across the region. The above projects in addition to the continuing work on existing and planned regional infrastructure projects will see branch members with an ongoing supply of work.

This annual report is ostensibly in respect of the year to 31 March 2020. But it is impossible to ignore the disruption caused by Covid-19. The end of the financial year brought challenging and uncertain times for the industry and New Zealand as a nation, as we were faced with a global pandemic. With restrictions enforced by the Government, the country and industry were faced with the unprecedented

*“The return to work under Level 3 was welcome news, albeit daunting, with new health and safety protocols and standards to protect our people, their families and whanau whilst getting the economy back up and running.”*

challenge of a five-week long lockdown period. The impact on members of this was diverse. A complete stop for some, and little if any reduction in work for others working on essential projects.

National Office worked with a wide range of construction industry associations and members of all sizes to provide detailed input into new protocols for construction sites for the return to work. The return to work under Level 3 was welcome news, albeit daunting, with new health and safety protocols and standards to protect our people, their families and whanau whilst getting the economy back up and running. On behalf of Wellington/Wairarapa branch I extend thanks to National Office for the support provided.

These disruptions meant the branch cancelled some events, including the Awards Evening and Golf Day. Prior to Covid-19 Wellington/Wairarapa Branch had some fantastic events, such as our Quiz Evening, Regional Excavator Operator Competition and Tudor Distributors Barrel Filling Competition. Congratulations to our Excavator Operator Competition winner – Ben Jones of Action Civil. Thank you to the organisers, sponsors and supporters.

On a personal note, I extend my thanks to the Wellington/Wairarapa branch executive committee and members for accepting me, an associate member, as Chairman. The collegiality and support amongst the membership makes my role all the more rewarding. A special thanks also to Laura Hae Hae, Wellington/Wairarapa Branch Secretary for her continued dedication and support to the branch.

I look forward to the rest of the current year, challenges notwithstanding, and to working with members to regain pre-Covid-19 momentum in the branch and the economy in general.

Waiho Bailey Bridge Reinstatement – Downer NZ.



# Nelson Marlborough

CHAIR: MALCOLM EDRIDGE



Member numbers for Nelson Marlborough Branch have remained steady. We have gained two new contracting members in past year – Egypt and Elite Excavations Marlborough.

The Marlborough region has had a patchy year with workload for various reasons. Anticipated viticulture reservoir construction after a dry 18/19 season had not come to the expected level.

Local government spend was down on budgeted levels due to design and procurement delays. NZTA and local roads works were down, maybe due to the end of the current NOC contract. Forestry hit its first speed bump in over five years with export market rates plummeting in the last quarter of 2019. Just as some recovery was in sight, Covid-19 hit China, stopping exports in the first quarter of 2020.

Nelson region was very steady throughout the year. The private civil market has been very strong with a lot of subdivision, retirement villages and commercial development underway, but did have signs of it slowing prior to Covid-19. Horticulture has also been strong in the region with hops and apples having a strong season of development. Forestry had the same issues as Marlborough. Local Government work has been moving along at a usual but unpredictable rate. Work commenced on the Waimea Dam at the beginning of the construction season, and that has been a welcome large project for the region.

Looking forward, post-lockdown is the area of unknown. We have had extensive meetings with our three local Councils (MDC, NCC & TDC), all of which understand the importance of ensuring work gets out to market early. There is a solid work programme in front of each Council, so there

“Looking forward, post-lockdown is the area of unknown. We have had extensive meetings with our three local Councils (MDC, NCC & TDC), all of which understand the importance of ensuring work gets out to market early.”

are positive signs for the industry in this market. They have also committed to using local contractors to try to keep the money in their region.

The branch has been active in reaching out to schools through careers expos in Motueka and Nelson, as well as regular council meetings and social get togethers. Our Regional Awards were held on 26 July 2019 at the Rutherford Hotel Nelson, with 214 guests in attendance. These awards are now held every two years, with the next function due to be held in 2021. Thanks to our sponsors and those who entered, and congratulations to the award winners.

Thanks also to our local Executive Committee Members for their time and support of the Branch. Thanks to Brendan Dodd for stepping into the vacated Nelson Vice Chairman’s role, and to Mike Winkler from Crafar Crouch for stepping into the role of Marlborough Region Vice Chairman.

On a final note, we would like to acknowledge the passing of our Nelson Marlborough Branch Life Member John Philp earlier this year, aged 82 years.

# Canterbury Westland

CHAIR: JEREMY DIXON



Canterbury Westland Branch had a productive year, with the last few months seeing the committee work hard to provide support, guidance and advocacy for members through the rapidly changing pandemic. Something none of us expected, but something we have dealt with relatively well, given the unprecedented and unforeseeable impacts.

It's amazing to see how adaptable and flexible our industry has been. Prior to Covid-19, our branch was focused on value for members across a range of areas. We stepped up advocacy to the local markets around the need for a transparent and consistent workflow, working with NZTA, local councils and other clients.

There will be opportunity from post-Covid-19 investments, however this will be in duration. At this point in time, long-term visibility is just not there. This is a significant concern. Ensuring our industry is heard when annual and long-term plans are developed is key to providing more confidence and better visibility around a consistent pipeline of work – something we have struggled with in Canterbury for many years. We need to speak up.

The local market has been as volatile as ever. The start of 2019/2020 saw most contractors start with a strong workload. As forecast, we could see the cliff looming over the horizon. Investment across large sections of our market was just not there. This led to workflow, stretching into the first half of summer with our busy months significantly down. Belated investment from councils saw a boost in late summer. We were getting into this work and making the most of it when the pandemic hit.

We have been working with councils on the standardisation of specifications, encouraging better use of special conditions within contracts, giving feedback on procurement policies, and working with councils to develop their early thinking around “sustainability” expectations, trying to ensure there is some level of consistency in how this is viewed and applied.

We have always been known in the Canterbury Westland Branch for holding great social and educational events for our members. This year has been no different. The committees involved in organising these always do a great job.

The excavator operator competition was again hosted by

one of our associates, Road Metals at its open day. While the weather was poor, a great day was had by all, which went long into the afternoon and evening at “Stan’s Bar” on the Road Metals premises. We had a good number of entrants with the winner being Sam Gilchrist from Dormer Construction. Thanks again to Road Metals and the committee members who organised and ran this.

Our annual Contractor of the Year awards evening was a great success. The overall winner for Contractor of the Year was Fulton Hogan. We had a record number of awards entries received. Congratulations must go to all the deserving winners, and special thanks to major sponsors Gough CAT (now Terra Cat) and Humes.

The branch has continued to invest in developing the industry’s reputation with school leavers so we can gain some of the best talent for the future and be a highly regarded career option within schools, something we have struggled with in the past. Combining our work at Shirley Boys High School (where we deliver a work-ready programme), working with and investing in Inzone careers kiosks placed in schools to showcase our industry, and continuing to utilise EPIC resources to lift the visibility and reputation of our industry have helped build a platform for years to come. We are starting to see some of these students come into our industry and they are doing well.

The branch has a strong membership base. Finances remain stable, which enables the Branch to invest back into members. The outlook for 2020/2021 is obviously a fair bit different and the committee is working on what we do to get best bang for buck. The committee has worked hard this year to provide value, I would like to recognise this and thank them for their efforts. Many go over and above expectations and commit significant time to the cause. We meet each month to help where we can, raise issues where needed as advocates for members, and provide events to upskill and inform our industry.

A special thank you to our associates and sponsors for their support, and our members for their engagement. I would also like to recognise the great work done at a National CCNZ level during the pandemic. The advocacy, guidance and support throughout has been great.

## Otago

CHAIR: SHANE BINGHAM



I would like to thank our executive committee teams, who have done an outstanding job this year with subcommittee tasks, especially the schools committee (a new subcommittee) who have had a great year promoting our industry to schools in our region through EPIC with very promising results.

We had been struggling somewhat with contractor attendance at our general meetings and have been busy working on ways to gain better patronage. Due to the capture area the Otago Branch has, we opted for running two general meetings of the same content at different locations which improved numbers. Asking contractors what they wanted helped. Branch membership has remained steady throughout the year, and Otago members have been driving hard to gain new memberships.

The market in our region has remained steady for the most part, especially in the Central Otago Queenstown Lakes area. There have been signs of slowing with the Queenstown Lakes District Council three waters programme slow to get underway, but we are expecting a move in the next 12 months. Dunedin City Council has also been a little slow with large three waters tenders but keeping busy with repairs and maintenance. The civil market has been strong over the past 12 months with subdivisions. House prices have been increasing and demand for new family homes is helping push this along.

Staffing has been challenging this year with some out of region non-member contractors arriving to work in the area, and some poaching happening. This is a difficult situation for us, and a little reminder to all our members of our Code of Ethics. I appreciate that our members who are working in the region are supporting our local teams where they can.

The Otago Regional Excavator Operator Competition had another fantastic turnout this year with 21 contestants competing. The competition was won by Troy Calteaux from Andrew Haulage – the fifth time Troy has won this competition. He was up against some very stiff competition. The help offered by our members and sponsors to be able to

“Since our lockdown, the branch and its members have been working hard with local councils regarding upcoming projects and central government ‘shovel-ready’ projects.”

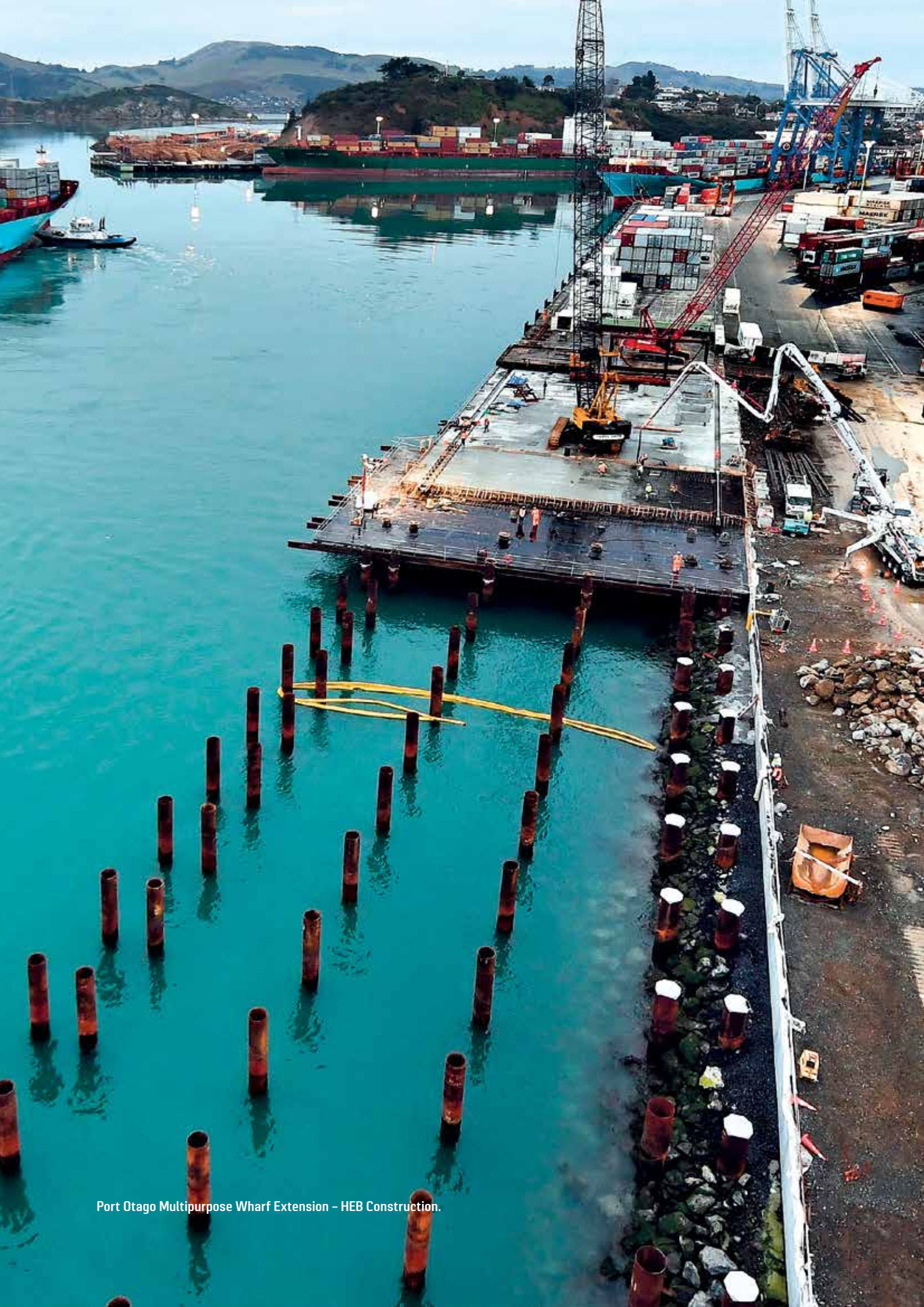
hold this event is very much appreciated.

Financially, the branch continues to stay strong mainly due to our Hynds Construction Awards night. We had an awesome turnout for 2020, with more than 320 people packing out Warbirds in Wanaka. Celebrating success with our members is a great way so showcase the projects within our region and brings our contractors together. This event certainly wouldn't be achievable without the continued support of all our sponsors, the hard work of our secretary, the awards committee team and Hirepool for sponsoring the Young Contractor of the Year award.

I would especially like to thank Raewyn Murray our branch secretary who has made a refreshing change to how the branch operates. Also our committee members who made a considerable difference and strong gains for our branch this year. And our sponsors. Without their support we would struggle to run the branch effectively.

Although the current climate with Covid-19 has not affected us over the past 11 or so months, we have some challenging times over the next 12 months. Since our lockdown, the branch and its members have been working hard with local councils regarding upcoming projects and central government ‘shovel-ready’ projects. I would especially like to thank Paul Horrell, Glen Campbell, Paul Bisset, Colin Calteaux, Scott Sutherland and Ollie Turner who have been leading the charge and working tirelessly in the background with the councils over the lockdown period. We need to come together as an industry and work together.





Port Otago Multipurpose Wharf Extension – HEB Construction.

# Southland

CHAIR: REGAN McRANDLE



Pre-pandemic, there was quiet optimism for the region, even with Government bypassing us with the \$12b NZ Upgrade Programme. We are holding that optimism, but it is defiantly sitting on the fence. Our largest NZTA project in the last 25 years (only \$13m) came to an end earlier this year with the completion of the Edendale Bypass. Current funding criteria we see us waiting more than a quarter of a century for a project of any significance.

Southland District Council has started to roll out its bridge replacement programme with 170 bridges needing replacement and half a dozen roads closed due to unsafe bridges.

This is what sweating an asset results in. Reduced funding means key infrastructure is suffering to cover the catchup on the bridges. We had a significant weather event earlier this year with flooding of the Matuara River (100-year event). Thankfully, investment in flood protection 30 years ago helped minimise the major damage and cost to the region.

Opportunities in Central Otago have been good, but may be reduced due to the tourism downturn. On a positive side, large developments and an underground services upgrade in the Invercargill CBD have started, along with rural infrastructure upgrades and the Te Anau Basin wastewater upgrade. The rural sector continues to supply work.

The branch relationship with local government is good. We have been given more forward planning information recently, and engagement has helped highlight the struggle councils have trying to fund infrastructure works. Confidence from central and local government is needed to ensure a steady amount of work going forward.

We had our most successful Construction Awards last year. In four years, it has tripled in size (6 to 24 entries, 80 to 250 attendants) and is bedded in as our industry highlight of the year. Mental Health has been pinned as a concern for our industry. We arranged a free afternoon with Mike King, which was hugely successful with close to 500 in attendance.

Former owner of The Roothing Company Dave Wilson was made a Life Member of the Southland Branch in recognition of more than 40 years in the industry and 25 years

involvement with CCNZ at both local and national levels.

Southland Branch had a slight rise in membership, losing one and gaining two new members. We also lost a branch associate member. The branch is a little light in the wallet, but still has reserves. We were previously in a very healthy position, but subsidised events over the previous year to return some of our money to members. The cancellation of the 2021 awards has weakened our position.

The Regional Excavator Operation Competition was held at Southern Field Days over three days. Participant numbers were on par with previous events. Defending champion Brendan Ferguson from Fulton Hogan pipped for top honours by TJ Symons from The Roothing Company. This year we combined the two-day REOC with an EPIC Careers in Infrastructure campaign, using the third day to have a 'give it a go' and promote the industry. It was a busy three days, but we will continue this format. It was a great opportunity to push our industry and a career in civil trades with the help of the excavators on-site from CablePrice.

We have had a busy year pushing Civil Trades and the EPIC campaign, and have been fortunate to partner up with Venture Southland (Economic Development Agency), visiting schools in the region and careers events to give presentations about careers in civil construction (EPIC has been a fantastic resource). We also have representation on the 'Southland Youth Future Working Group'.

Workforce sustainability is a major challenge. As a result of low regional investment, there is a shortfall in trained and competent operators. EPIC is helping us get a start but will take time. Due to the low population of our region, it is difficult to recruit the right people.

Will Southland be included in the Government Covid-19 recovery strategy? Our councils have been doing their bit compiling projects, but "Shovel-ready" in the south generally means another project for major centres already flush with \$12b!

We would like to think 'shovel ready' is more achievable down south with less hoops to jump through and the ability to keep it simple allowing us to get out there and deliver projects in the coming months and achieve the stimulation this money is intended for.





# Key People

## CIVIL CONTRACTORS NZ POSITIONS HELD IN 2019-2020

### Executive Council

- PRESIDENT** Tim Ford
- VICE PRESIDENT** Tony Pike
- PAST PRESIDENT** Brian Warren
- EXECUTIVE COUNCILLORS**
- Bailey Gair
- Colin Calteaux
- Gary Richardson (Major Associate)
- James Craw
- David Howard
- Stephen Delaney
- Mark Evans
- Paul Buetow (Legal Advisor)

### National Office

- CHIEF EXECUTIVE** Peter Silcock
- TECHNICAL MANAGER** Stacy Goldsworthy
- MEMBERSHIP & EVENTS MANAGER** Eve Cooper
- OFFICE MANAGER** Lyn Kuchenbecker
- COMMUNICATIONS ADVISOR** Fraser May
- REGIONAL MANAGERS:**
- NORTHERN** James Corlett
- CENTRAL** Ross Leslie
- SOUTHERN** Ollie Turner

### Northland

- SECRETARY** Tracey McKenzie / Lesley McCardle
- CHAIR** Keith Cocking

### Auckland

- SECRETARY** Joyce Tilbrook
- CHAIR** Peter Millar

### Bay Of Plenty

- SECRETARY** Mike Lenihan
- CHAIR** David Burns

### Waikato

- SECRETARY** Nicki Carson
- CHAIR** Adam Plimmer

### Hawke's Bay East Coast

- SECRETARY** Sue Selwyn
- CHAIR** Bart Mulder

### Taranaki

- SECRETARY** Jeanette Greenway
- CHAIR** Al Greenway

### Wanganui

- SECRETARY** James Bowen
- CHAIR** Dr Willy Morell

### Manawatu

- SECRETARY** Ashleigh Smith
- CHAIR** Greg Lumsden

### Wellington Wairarapa

- SECRETARY** Laura Hae Hae
- CHAIR** Eddie Carson / Noel Sulzberger

### Nelson Marlborough

- SECRETARY** Megan Gibbins
- CHAIR** Malcolm Edridge

### Canterbury

- SECRETARY** Karlyn Webley / Dana Enache
- CHAIR** Jeremy Dixon

### Otago

- SECRETARY** Raewyn Murray
- CHAIR** Shane Bingham

### Southland

- SECRETARY** Lauren McKinnel
- CHAIR** Regan McRandle

Northern Interceptor night shift crew putting a pipe in its place.



# Construction Excellence Awards 2019

We would like to acknowledge the following winners of  
THE HIREPOOL CONSTRUCTION EXCELLENCE AWARDS



## Category 1A: Projects valued up to \$5m – smaller companies

**WINNER:** Concrete Treatments NZ – South Karori Road  
Stormwater Renewal

The remediation of a 50 year old severely eroded and corroded corrugated 1350 culvert 220 meters long with substantial fill and private properties above was extremely challenging.

Prior the final works preparation was required to remove protruding connections, manage ground water inflows, prepare the corroded base and provide a weir and pump stormwater from upstream of the job. At commencement the specific alignment of the pipe was unknown. Access was difficult through a section of native forest that mechanical equipment and storage on site.

The successful methodology (which was required to be trenchless) included the use of a fully structural mortar Geo Spray, a product sourced from overseas and used for the first time here.

The client, consultant and Concrete Treatments worked closely together to approve the product and to ensure the solution achieved the desired outcomes. High standards of health, safety and quality were adopted to complete successfully this difficult and challenging project.

**HIGHLY COMMENDED:** Rock Control – Site TECCO System Installation



## Category 1B: Projects valued up to \$5m – larger companies

**WINNER:** Fulton Hogan – Wynyard Quarter Pump Station

This was a very challenging project within a very small site and in an area with substantial recent development and further high rise development and infrastructure improvements occurring.

The works are on reclaimed land with the pump station wet well affected by high ground water levels. Cement stabilisation of the existing ground occurred which minimised ground water, strengthened the reclaimed land, the extent of the works and provided initial treatment to the contaminated reclamation that was removed.

The site challenges were successfully overcome through the smart methodology developed by FH and a close working relationship with the designer and client. Health, safety, environmental and quality requirements were all exceeded. The project was completed to the agreed programme and Watercare is very happy with the facility provided.

## Category 2: Projects valued between \$5m and \$20m

**WINNER:** Higgins Contractors – NZTA Watchman Road Roundabout & Airport Intersection Project

Although it was understood in the initial planning stages that this work was complex with many unknowns, it was offered as a 'Lump Sum' contract. This created difficulties from the outset, but Higgins with the assistance of the other involved parties was able to successfully complete the demanding project.

The Watchman Rd roundabout was completed under difficult traffic conditions with particularly demanding environmental works and aesthetic considerations.

The finished job is a credit to all involved in its final completion and provides an attractive entry point to Napier City.

**HIGHLY COMMENDED:** HEB Construction – Port Otago Multipurpose Wharf Extension



## Category 3: Projects valued between \$20m and \$100m

**WINNER:** McConnell Dowell Constructors – Army Bay Ocean Outfall

Watercare's Army Bay Wastewater Treatment Plant Outfall Replacement at Shakespear Regional Park provides a very significant improvement in the capacity and treatment of effluent from this facility.

This project to increase outfall capacity was bid as a Design Build contract by Watercare, with an upgrade to the existing UV plant, an outfall with a two kilometre horizontal Direct Drilled land section connecting to a 950m marine section providing disposal in the Tiritiri Matangi channel. McConnell Dowell offered an alternative to this, with a new UV plant and a tunnelled land section, using a Herrenknecht Direct Pipe TBM, with a 1200 ID steel carrier pipe and an 1100 ID HDPE liner to meet Watercare durability concerns.

The judges were very impressed by the innovation McConnell Dowell used to win this project and the associated risks they carried in their lump sum tender. The project required the extension of the Direct Pipe tunnelling technology, far beyond anything previously achieved, ultimately making a world record 1929m.

This project has achieved much in furthering the frontiers of TBM utilisation and acceptance in New Zealand and is a tribute to the benefits to be achieved by cooperation between client and contractor.



## Maintenance and management of assets

**WINNER:** HEB Construction – Selwyn Roding Maintenance Contract

Although there was only one entrant in this category the judges were impressed with the innovations achieved on this contract.

Selwyn District has a large roding network comprising both sealed and unsealed roads and the Council has been extremely satisfied with HEB's performance and collaborative working style.

Defects in the roding network are reported and recorded by way of an app 'Snap-Send-Solve' that allows for easy identification and location of issues by either staff or the public.

Development of this reporting system and other smaller innovations has led to highly successful outcome for the Selwyn District which, in conjunction with HEB, is looking at additional technical measures to boost efficiency.



## CCNZ Major Associate Award

The first CCNZ Major Associate Award was presented to Hirepool at the 2019 CCNZ National Conference for work supporting contractors and their communities across New Zealand.



## Z People Awards 2019

### EMERGING LEADER CATEGORY

**WINNER:** Keith Matheson (SouthRoads)

### PERSONAL IMPROVEMENT CATEGORY

**WINNER:** Dan Elliott (Isacc Construction)



## Connexis Company Training & Development Awards 2019

### UP TO \$10M COMPANY TURNOVER CATEGORY

**WINNER:** Construction Contracts

### \$10M TO \$100M COMPANY TURNOVER CATEGORY

**WINNER:** Isaac Construction

### 100M+ CATEGORY

**WINNER:** Fulton Hogan Christchurch

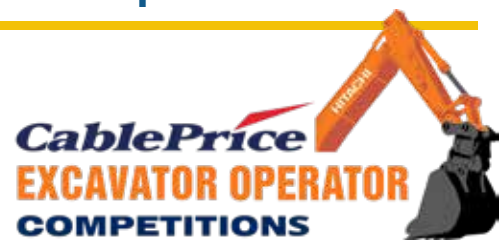


## CablePrice National Excavator Operator Competition 2019-20

Thank you to the amazing supporters, sponsors and regional champions from this year's CCNZ CablePrice National Excavator Operator Competition.

We were hugely disappointed by the need to cancel this year's nationals due to pandemic lockdown. CCNZ Manawatu Branch had put in tireless efforts to plan the competition and get the course up and running before Covid-19 lockdown struck.

Our regional champions displayed incredible skills throughout our Regional Excavator Operator Competitions in the road to the national finals, and deserve recognition for their incredible feats of skill.



### 2019 REGIONAL CHAMPIONS

#### *Defending Champion*

Northland  
Auckland  
Waikato  
Bay of Plenty  
Hawkes Bay East Coast  
Taranaki  
Manawatu  
Wellington Wairarapa  
Canterbury West Coast  
Otago  
Southland

**Riki Lum**  
**Henry Haukinima**  
**Tevita Tautua'a**  
**Mike Bowe**  
**Brandon Crowley**  
**Dan Mephram**  
**John Northcott**  
**Neil Tau**  
**Ben Jones**  
**Sam Gilchrist**  
**Troy Calteaux**  
**(TJ) Taylor Symons**

Clements Contractors  
Wharehine Construction  
Pipeline & Civil  
Bowe Brothers Excavating  
Crowley Excavators  
Gair Contracting  
Graham Harris  
Downer NZ  
Action Civil  
Dormer Construction  
Andrew Haulage 2011  
The Roding Company





## EPIC Photo Competition

CCNZ's first EPIC Photo Competition was won by Seb Jones of Hunter Civil, who captured an amazing view over the Remarkables from his hillside construction site. The runner-up was Kate White of Fulton Hogan Southland, who sent in an amazing photo of a roller in action during a thunderstorm. The EPIC Photo Competition will continue to run throughout 2020-21, and is a partnership between CCNZ and *Contractor* magazine.



## Principal Business Partner & Core Associate members

CCNZ thanks and appreciates the support of our Principal Business Partner and Core Associate members

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### Principal Business Partner

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#### Hirepool

[www.hirepool.co.nz](http://www.hirepool.co.nz)

Hirepool has been the Principal Business Partner since 2004

- Civil Contractors NZ / Hirepool Construction Excellence Awards
- National Excavator Operator Competition
- Dedicated funds for branch sponsorship



Hirepool has all your hire equipment needs.

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### Core Associate members

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#### Z Energy

[www.z.co.nz](http://www.z.co.nz)

Z has been a Core Associate for many years

- Discount fuel scheme
- Z People Awards (Emerging Leader / Personal Improvement)
- National Excavator Operator Competition



#### Dentons Kensington Swan

[www.dentons.com](http://www.dentons.com)

Dentons Kensington Swan is the legal advisor to Civil Contractors NZ

- Fifteen minutes of free legal advice
- Professional speakers at Civil Contractors NZ Roadshows



#### CablePrice NZ

[www.cableprice.co.nz](http://www.cableprice.co.nz)

CablePrice is a major sponsor at national events

- Platinum Sponsor of the CCNZ CablePrice National Excavator Operator Competition
- Sponsor of the contractors' themed dinner at Conference



CablePrice, like its Civil Contractors NZ membership, is built to last.

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# Major Associate members

CCNZ thanks and appreciates the support of our Major Associate members





## Contractor members 2019-2020

### \$0 – \$1 million

Able Trucking	Enviro Infrastructure	Mora Earthmoving
Acon Industries 2015	Fergusson Contracting	MRT Construction
Akl Civil Training	Fox Earthmovers	Mules Construction
Alex Field	Franz Hire & Contracting	Murray Weston
Apes Contracting	Frontline Earthmoving & Drainage	Newman Excavations
Artisan Paving NZ	Gallivan Group	Nicholls Earthworks and Drainage
ATD Services	Geoff Jukes Contracting	Northland Mobile Crushing
B Pull & Sons	Ghella	Northland Transport
BDX Group	Graffiti Doctor NZ	P & N Siteworks
Beeby Contracting	Greenstone Concrete & Asphalt	P R Leslie Contracting
Billington Transport	Greg Inch Earthmoving	Paul White
Blake Civil Construction	Halverson Civil	Petco Contracts
Blenkiron Bros	Hatuma Lime Contracts	Pro Arbore
Bowe Brothers Excavating	Heine's Cartage & Contractors	Project One Construction
Brian Hoffmann	HGM Construction	Rae Asphalts
Byfords Construction 2014	Hill Bros	Ranui Construction
C W Drilling & Investigation	Hollands Excavation	Recr8 Contracting
Cape Mowing	iConstruct	Renshaw Civil
Carran Scott Contracting Co	Independent Contractors	Robert J Mitchell Contractors
CCA Earthmoving	Its Earthmoving	Rocka Excavation
Chris Gommans Contracting	Jamieson Earthworks	Rosco Bobcats
Clarke Underground	Jensen Contracting & Drilling	Roxburgh Excavation
Cloutman Brothers Mining & Dredging	JGR Contracting	Santo Drainage & Contracting
Complete Site Solutions	John Fletcher Contracting	Scarlett Contracting
Compton Civil	John Leathwick	Shane Gribbon
Crooks Contracting	John Shepherd Contracting	Shaw Asphalters
Crowley Excavators	JPS Earthmoving	SKF Contracting
D A McNeil	Keene Krib 2000	Steven Tidswell Contractors
Decmil Construction NZ	Kerepehi Transport	Storm Waters Contracting
Dempseys Bobcat Services	Kevin G Grant Contracting	Swale Earthmovers
Denis Wheeler Earthmoving	KEV's Concrete Cutting	The Digger Collective
Dirtworx	Kreisel Contracting (1988)	TPP Contracting
DITRAC	Lanco Ex	TRILITY Water (NZ)
Doing Good Infrastructure	Luke Glamuzina Contractors	Troon Civil
Done Rite Contracting	M W Lissette	Waitakere Tree Services
Doug Hood Mining	Mangonui Contracting	Weka Earthmoving
Doug Symons Contracting	McCready Civil	Wilding Wood Management
Drum Ex Earthmoving & Cartage	McDonald Contracting & Construction	Wilson & Keen Contracting
Duane Whiting Contractors	McEwan Haulage	Wilson Earthmoving Group
Duncan Earthworks	Moore Construction	

### \$1 – 2 million

A G Hoffman	Cameron Contracting 2002	Contrax (Central)
Armitage Contracting	Canterbury Demolition & Earthmoving	Crom-Dig
Asphalt & Construction	Cargill Contracting	Currie Construction
Base Excavations	Central Demolition	Daniel Renshaw Drainage
BCG Civil	Central Southland Excavating	Dodge Contracting
BM Contracting	Colin Amrein Contracting	Earth Stability
Bridge It NZ	Contour Asphalts	Easyflow Drainage



## Contractor members 2019-2020

### \$1 – 2 million continued

Egypt	Johnstone Construction	Pipeline & Infrastructure
EPL Construction	Jones Contracting Queenstown	Red Contracting
Fahey Contracting	K & B Reed Contractors	Ritchie Civil
Forte Civil	Kernohan Contractors	Sollys Freight (1978)
Francis Ward	Landform Civil	South East Earthworks
G T Liddell Contracting	Mason Quality Excavation	Supreme Site Works
Graham Contractors	MecLand Roading	TCD 2015
Greg Donaldson Contracting	Monk Earthworks	Topline Contracting
H & H Contractors	Morris & Bailey	Total Siteworks
H Blackbee Contractors	Not Just Concrete (Nelson)	Twoman Structures
Hoult Contractors	Offshore Plumbing Services	WA Boyes Contracting
Huband Contractors	P E L Contracting	Wilson Contracting
J C Contracting NZ	Paul Smith Earthmoving and Civil	XTREME Contracting
John Roy Contracting	Peter Turner Contracting	

### \$2 – \$4 million

Action Civil	Drapers Earthmoving	Land + Sea Civil
Advanced Siteworks	E N Ramsbottom	Letton Kerb & Channel
Aidan Kelly Contracting	Earthwork Solutions	Linton Contracting
All About Construction	Earthworx Rural & Civil	Loveridge
Allens United Drainage & Earthworks	Emmetts Civil Construction	Mackenzie Civil
Angus McMillan Concrete	Fuel Installations	MAXBUILD
ARC Projects	Geovert	McDonough Contracting
Atlas Infrastructure & Services	Giles Civil	MWN Civil
Austin Asphalt	Gill Construction Co	Nelson Civil Construction
Baldwin Asphalts	Goodrick Contracting	North Drill
Bassett Plumbing & Drainage	Graham Harris	Opie Contractors 2014
Bay Civil	Grant Hood Contracting	R A Shearing Contractors
Bryce O'Sullivan Contracting	Groundfix	RJ Civil Construction
Burnside Contractors	Grouting Services NZ	Roading and Building Cartage
C & A Cox	Harliwich Holdings	Ryan Contractors
Central Machine Hire	HBRC – Works Group	SAL Civil Works
Chambers & Jackett	Hickey Contractors	Siteworx Northland
CHB Earthmovers	Independent Kerb & Concrete (IKC)	Skevingtons
City Pavements	Jesmond Construction	Tasman Civil
Civil and Land Construction	Jim Bates Contracting	TeAnau Earthworks
Clements Contractors	Johnston Civil	Thelin Construction
Concrete Brothers	Johnstone & Masters	Tracks Concrete (2002)
Concrete Treatments NZ	Juno Civil	Underground Brown
Darlington Drilling & Piling	K2 Kontracting	Utilities Infrastructure NZ
Delta Contracting	Kerry Drainage	Warner Construction
Donovan Drainage & Earthmoving	King Drilling Company	



## Contractor members 2019-2020

### \$4 – 6 million

Advanced Excavating  
B Bullock (2009)  
Base Contracting  
BBR Contech  
Blackley Construction  
C J Industries  
CCL Construction Contracting  
CDS New Zealand  
Construct Civil  
Construction Contracts  
E Carson & Sons

G P Friel  
Gibbons Contractors  
HES Earthmoving  
HydroVac  
J W Neill Contractors  
Jolly Earthworks  
Legacy Contracting  
Maungatua Contracting (Wanaka)  
McKenzie Contracting  
Morepork Trenching  
PCL Contracting

Pidgeon Contracting  
Protranz Earthmoving  
Rapid Earthworks  
Robinson Asphalts 1992  
Splice Construction  
Storer Contracting  
T C Nicholls  
Technix Bitumen Technologies  
Tirau Earthmovers  
Trademark Paving  
Troy Wheeler Contracting

### \$6 – 10 million

Andrew Haulage 2011  
Base Civil  
Bryant Earthworks  
Ching Contracting  
Christchurch Ready Mix Concrete  
CLL Service & Solutions  
Crafar Crouch Construction  
Dormer Construction  
Evergreen Landcare  
Gair Contracting  
Gleeson Civil  
Hamilton Asphalts

Hibiscus Contractors  
Hunter Civil  
J G Civil  
Libbet  
MAP Projects  
Maugers Contracting  
MBD Contracting  
McKenzie & Parma  
Multi Civil Contractors  
Nelmac  
Petrotec Services  
Rock Control

Rohit's Civil & Infrastructure  
Sayer Drainage  
Seay Earthmovers  
Smythe Contractors  
Spiral Drillers Civil  
Steve Bowling Contracting  
Stuart Tarbotton Contractors  
Wellington Pipelines  
Wharehine Construction  
Wilson Contractors (2003)

### \$10 – 25 million

Ashburton Contracting  
B G Contracting  
Civil Construction  
Connell Contractors  
Evolution Traffic Management  
Grounds & Services  
Hiway Stabilizers NZ  
Hopper Construction  
ICB Retaining and Construction  
Inframax Construction  
J & R Contracting

J Swap Contractors  
JCL Asphalt  
JMC  
Loaders Wanganui  
March Cato  
Mike Edridge Contracting  
Mills Albert  
Pipeline & Civil  
Quality Roothing Services (Wairoa)  
Russell Roads  
Seipp Construction

Blakely Construction  
Spartan Construction  
Taggart Earthmoving  
Taylors Contracting Co  
TDM Construction  
Texco Excavating & Drilling  
Total Infrastructure (TIL)  
Vuksich & Borich (NZ)  
Westroads  
Whitestone Contracting

### \$25 – 50 million

CB Civil & Drainage  
Goodman Contractors  
March Construction  
Ross Reid Contractors  
Schick Civil Construction  
SouthRoads  
United Civil Construction  
Waiotahi Contractors

### \$50 – 100 million

Isaac Construction

### \$100 million plus

CPB Contractors  
Downer NZ  
Fletcher Construction Company  
Fulton Hogan  
HEB Construction  
Hick Bros Civil Construction  
McConnell Dowell Constructors

Abseiler controlling rock fall on  
Nevis Bluff above SH6.





Goodmans at Cannons Creek.





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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF CIVIL CONTRACTORS NEW ZEALAND INCORPORATED**

**Opinion**

We have audited the financial statements of Civil Contractors New Zealand Incorporated (“the Parent”) and the consolidated financial statements of the Parent and its subsidiaries (together, “the Group”), which comprise the Parent and consolidated balance sheet as at 31 March 2020, and the Parent and consolidated statements of comprehensive income, Parent and consolidated statements of changes in equity and Parent and consolidated statement of cash flows for the year then ended, and notes to the Parent and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying Parent and consolidated financial statements present fairly, in all material respects, the financial position of the Parent and the consolidated financial position of the Group as at 31 March 2020, and the Parent and consolidated financial performance and the Parent and consolidated cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime (“PBE Standards RDR”) issued by the New Zealand Accounting Standards Board.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (“ISAs (NZ)”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Parent and Consolidated Financial Statements* section of our report. We are independent of the Parent and Group in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Parent or any of its subsidiaries.

**Emphasis of Matter - COVID-19**

We draw attention to note 21 of the financial statements, which describes the impact of Covid-19 outbreak on the entity. Our opinion is not modified with respect to this matter.

**Other Information**

The directors are responsible for the other information. The other information obtained at the date of this auditor’s report is information contained in the annual report, but does not include the Parent and consolidated financial statements and our auditor’s report thereon.

Our opinion on the Parent and consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the Parent and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Parent and consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor’s report, 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.

**Executive Councils’ Responsibilities for the Parent and Consolidated Financial Statements**

The directors are responsible on behalf of the Parent and Group for the preparation and fair presentation of the Parent and consolidated financial statements in accordance with PBE Standards RDR, and for such internal control as the directors determine is necessary to enable the preparation of Parent and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Parent and consolidated financial statements, the directors are responsible on behalf of the Parent and Group for assessing the Parent and Group’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 Parent and Group or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's Responsibilities for the Audit of the Parent and Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Parent and consolidated financial statements as a whole are 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 ISAs (NZ) 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 decisions of users taken on the basis of these Parent and consolidated financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Parent and consolidated financial statements, 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 a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parent and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Parent and Group'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 Parent and consolidated financial statements 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 Parent and Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Parent and consolidated financial statements, including the disclosures, and whether the Parent and consolidated financial statements represent 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 Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group 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.

#### **Who we Report to**

This report is made solely to the Parent's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent and the Parent's members, as a body, for our audit work, for this report or for the opinions we have formed.

*BDO Wellington Audit Limited*

**BDO AUDIT WELLINGTON LIMITED**  
Wellington  
New Zealand  
2 July 2020

**Civil Contractors New Zealand Incorporated**  
**Statement of comprehensive income**  
**For the year ended 31 March 2020**

	Notes	Group		Parent	
		2020 \$	2019 \$	2020 \$	2019 \$
Revenue	4	<b>4,280,637</b>	4,332,032	<b>3,204,944</b>	3,233,780
Publishing related expenses		<b>(569,773)</b>	(628,822)	-	-
Depreciation & amortisation	5	<b>(37,443)</b>	(39,114)	<b>(26,535)</b>	(21,324)
Impairment		-	(20,009)	-	(20,009)
Other expenses	5	<b>(3,522,531)</b>	(3,598,955)	<b>(3,075,377)</b>	(3,182,071)
Finance income (costs) - net	6	<b>28,289</b>	34,650	<b>25,336</b>	31,218
Surplus / (deficit) before income tax		<b>179,179</b>	79,782	<b>128,368</b>	41,594
Income tax expense	7	<b>(15,128)</b>	(4,117)	-	-
<b>Surplus / (deficit) for the year</b>		<b>164,051</b>	<b>75,665</b>	<b>128,368</b>	<b>41,594</b>
<b>Surplus / (deficit) is attributable to:</b>					
Equity holders of Civil Contractors New Zealand Incorporated		<b>155,447</b>	68,699		
Surplus attributable to non-controlling interest		<b>8,604</b>	6,966		
		<b>164,051</b>	<b>75,665</b>		
<b>Total comprehensive revenue and expenses for the year is attributable to:</b>					
Equity holders of Civil Contractors New Zealand Incorporated		<b>155,447</b>	68,699		
Surplus attributable to non-controlling interest		<b>8,604</b>	6,966		
		<b>164,051</b>	<b>75,665</b>		

For and on behalf of the Board.



President

Date: 2 July 2020



Chief Executive Officer

Date: 2 July 2020

*The above statement of comprehensive income should be read in conjunction with the attached notes.*

**Civil Contractors New Zealand Incorporated**  
**Statement of changes in equity**  
**For the year ended 31 March 2020**

Group	Reserves \$	Retained earnings \$	Non-controlling interest \$	Total equity \$
<b>Balance at 1 April 2018</b>	417,584	2,016,541	28,997	2,463,122
Surplus for the year	-	68,699	6,966	75,665
<b>Balance as at 31 March 2019</b>	<u>417,584</u>	<u>2,085,240</u>	<u>35,963</u>	<u>2,538,787</u>
<b>Balance at 1 April 2019</b>	417,584	2,085,240	35,963	2,538,787
Surplus for the year	-	155,447	8,604	164,051
<b>Balance as at 31 March 2020</b>	<u>417,584</u>	<u>2,240,687</u>	<u>44,567</u>	<u>2,702,838</u>

Parent	Reserves \$	Retained earnings \$	Total equity \$
<b>Balance at 1 April 2018</b>	417,584	1,878,612	2,296,196
Surplus for the year	-	41,594	41,594
<b>Balance as at 31 March 2019</b>	<u>417,584</u>	<u>1,920,206</u>	<u>2,337,790</u>
<b>Balance as at 1 April 2019</b>	417,584	1,920,206	2,337,790
Surplus for the year	-	128,368	128,368
<b>Balance as at 31 March 2020</b>	<u>417,584</u>	<u>2,048,574</u>	<u>2,466,158</u>

	Notes	Group		Parent	
		2020 \$	2019 \$	2020 \$	2019 \$
Total recognised income and expense for the year is attributable to:					
Members of Civil Contractors New Zealand Incorporated	15	155,447	68,699	128,368	41,594
Non controlling interest		<u>8,604</u>	<u>6,966</u>	-	-
		<u>164,051</u>	<u>75,665</u>	<u>128,368</u>	<u>41,594</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes.*

**Civil Contractors New Zealand Incorporated**  
**Balance sheet**  
**As at 31 March 2020**

	Notes	Group		Parent	
		2020 \$	2019 \$	2020 \$	2019 \$
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	8	979,834	820,363	697,377	593,188
Trade and other receivables from exchange transactions	9	250,343	386,238	168,761	376,021
Inventories		7,002	6,100	7,002	6,100
Current tax receivables		-	34,588	-	32,762
Term deposits		936,329	897,724	936,329	817,724
<b>Total current assets</b>		<b>2,173,508</b>	<b>2,145,013</b>	<b>1,809,469</b>	<b>1,825,795</b>
<b>Non current assets</b>					
Property, plant and equipment	10	954,489	977,331	940,759	949,707
Intangible assets	11	80,281	49,752	60,281	29,752
Shares in Contrafed		-	-	22,400	15,000
Conference prepayments		18,622	-	18,622	-
Deferred tax asset	12	4,072	2,056	-	-
<b>Total non-current assets</b>		<b>1,057,464</b>	<b>1,029,139</b>	<b>1,042,062</b>	<b>994,459</b>
<b>Total assets</b>		<b>3,230,972</b>	<b>3,174,152</b>	<b>2,851,531</b>	<b>2,820,254</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	13	322,904	439,302	207,599	297,988
Current tax payables		14,394	-	-	-
Income in advance		140,596	186,063	127,534	174,476
Customer refunds due		50,240	10,000	50,240	10,000
<b>Total current liabilities</b>		<b>528,134</b>	<b>635,365</b>	<b>385,373</b>	<b>482,464</b>
<b>Total liabilities</b>		<b>528,134</b>	<b>635,365</b>	<b>385,373</b>	<b>482,464</b>
<b>Net assets</b>		<b>2,702,838</b>	<b>2,538,787</b>	<b>2,466,158</b>	<b>2,337,790</b>
<b>EQUITY</b>					
Reserves	14(a)	417,584	417,584	417,584	417,584
Retained earnings	14(b)	2,240,687	2,085,240	2,048,574	1,920,206
		<b>2,658,271</b>	<b>2,502,824</b>	<b>2,466,158</b>	<b>2,337,790</b>
Non-controlling interest		44,567	35,963	-	-
<b>Total equity</b>		<b>2,702,838</b>	<b>2,538,787</b>	<b>2,466,158</b>	<b>2,337,790</b>

*The above balance sheet should be read in conjunction with the accompanying notes.*

**Civil Contractors New Zealand Incorporated**  
**Statement of cash flows**  
**For the year ended 31 March 2020**

	Notes	Group		Parent	
		2020 \$	2019 \$	2020 \$	2019 \$
<b>Cash flows from operating activities</b>					
Receipts from customers		4,334,213	4,296,744	3,306,560	3,170,005
Payments to suppliers and employees		(4,137,108)	(4,262,315)	(3,097,361)	(3,220,564)
Interest received		28,289	34,650	25,336	31,218
Income taxes paid		17,444	(4,560)	32,762	(4,391)
Net GST received		4,085	(1,048)	4,613	1,658
<b>Net cash inflow/(outflow) from operating activities</b>		<b>246,923</b>	<b>63,471</b>	<b>271,910</b>	<b>(22,074)</b>
<b>Cash flows from investing activities</b>					
Payments for property, plant and equipment	10	(12,691)	(40,073)	(11,959)	(16,599)
Payments for purchase of investments		(38,604)	(41,661)	(119,605)	(41,661)
Payments for intangible assets	11	(36,157)	(8,861)	(36,157)	(8,861)
<b>Net cash outflow from investing activities</b>		<b>(87,452)</b>	<b>(90,595)</b>	<b>(167,721)</b>	<b>(67,121)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>					
		<b>159,471</b>	<b>(27,124)</b>	<b>104,189</b>	<b>(89,195)</b>
Cash and cash equivalents at the beginning of the financial year		820,363	847,487	593,188	682,383
<b>Cash and cash equivalents at end of year</b>	8	<b>979,834</b>	<b>820,363</b>	<b>697,377</b>	<b>593,188</b>

*The above statement of cash flows should be read in conjunction with the accompanying notes.*

## 1 Summary of significant accounting policies

Civil Contractors New Zealand Incorporated (the Parent) and its subsidiary, Contrafed Publishing Co Limited, (together the Group) is an Incorporated Society.

### (a) Basis of preparation

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

#### *Entity reporting*

The financial statements for the Parent are for Civil Contractors New Zealand Incorporated as a separate legal entity.

The consolidated financial statements for the Group are for the economic entity comprising Civil Contractors New Zealand Incorporated and its subsidiary, Contrafed Publishing Co Limited. Control exists due to Civil Contractors New Zealand Incorporated being a majority shareholder.

#### *Statutory base*

Civil Contractors New Zealand Incorporated was incorporated under the Incorporated Societies Act 1908 on the 15th of August 1944.

The financial statements have been prepared in accordance with the requirements of the Incorporated Societies Act 1908.

The financial statements of the Parent and Group have been prepared in accordance with Tier 2 PBE Standards and disclosure concessions have been applied. The Group is eligible to report in accordance with Tier 2 PBE Standards because it does not have public accountability and it is not large.

Civil Contractors New Zealand Incorporated defines itself as a not for profit entity.

#### *Method of consolidation*

The Group financial statements consolidate the financial statements of subsidiaries using the purchase method. Subsidiaries are entities that are controlled, either directly or indirectly, by the Parent. All material transactions between subsidiaries or between the Parent and subsidiaries are eliminated on consolidation.

#### *Historical cost convention*

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets as identified in specific accounting policies below.

#### *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which each of the entities operate ('the functional currency'). The consolidated financial statements are presented in New Zealand dollars (\$), which is the Parent and Group's functional and presentation currency, rounded to the nearest dollar.

### (b) Revenue recognition

Revenue comprises the amounts received and receivable for goods and services supplied to customers in the ordinary course of business. Membership subscriptions are recognised in the year of membership to which those subscriptions relate. Membership resignations received within 3 months of balance date are not recognised as revenue. For resignations after 3 months unpaid subscriptions are recognised as bad debts. Interest income is accounted for as earned. Rental income is accounted for as earned.

All revenue received by the Group is from exchange transactions.

#### *Income in advance*

Membership subscriptions relating to the following financial year and invoiced before balance date are recorded as income in advance in the financial statements.

### (c) Income tax

The income tax expense or revenue for the period is the total of the current income tax charge or credit based on the national income tax rate for each jurisdiction plus/minus any prior years' under/over provisions, plus/minus movements in the deferred tax balance except where the movement in deferred tax is attributable to a movement in reserves.



## 1 Summary of significant accounting policies (continued)

### (c) Income tax (continued)

Movements in deferred tax are attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements and any unused tax losses or credits. Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or loss or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only to the extent that it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Income tax for the Parent is calculated using the principle of mutuality, whereby income received from members (i.e. subscriptions) are not taxable, while any associated expenses are not deductible. The allocation of expenses is based on an average of employee time spent on each income-earning activity.

### (d) Goods and Services Tax (GST)

The profit and loss component of the statement of comprehensive income has been prepared so that all components are stated exclusive of GST. All items in the balance sheet are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

### (e) Leases

#### (i) Finance leases

Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding.

#### (ii) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

### (f) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

### (g) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

### (h) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost is determined on a first in, first out basis and in the case of manufactured goods, includes direct materials, labour and production overheads. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## 1 Summary of significant accounting policies (continued)

### (i) Financial instruments

The Parent and Group initially recognises financial instruments when the Parent and Group becomes a party to the contractual provisions of the instrument. The Parent and Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Parent and Group is recognised as a separate asset or liability.

The Parent and Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

The Parent and Group also derecognises financial assets and financial liabilities when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Parent and Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Parent and Group classifies financial assets as loans and receivables, held-to-maturity and available-for-sale.

The Parent and Group classifies financial liabilities as amortised cost, which includes trade and other payables.

Financial instruments are initially measured at fair value, plus for those financial instruments not subsequently measured at fair value through surplus or deficit, directly attributable transaction costs.

Subsequent measurement is dependent on the classification of the financial instrument, and is specifically detailed in the accounting policies below.

#### (i) Held-to-maturity

If the Parent and Group has the positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held-to-maturity. Held-to-maturity financial assets are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Held-to-maturity financial assets comprise term deposits.

#### (ii) Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and trade and other receivables.

#### (iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated as available-for sale or are not classified in any of the above categories of financial assets. Available-for-sale financial assets comprise shares in Contrafed Publishing Co Limited. These shares are carried at cost as there is no quoted market. The fair value of these shares cannot be reliably measured due to no active market.

Upon derecognition, the accumulated gain or loss within net assets/equity is reclassified to surplus or deficit.

#### (iv) Impairment of non-derivative financial assets

A financial asset not subsequently measured at fair value through surplus or deficit is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a counterparty, restructuring of an amount due to the Parent and Group on terms that the Parent and Group would not consider otherwise, indications that a counterparty or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Parent and Group, economic conditions that correlate with defaults or the disappearance of an active market for a security.

## 1 Summary of significant accounting policies (continued)

### (i) Financial instruments (continued)

The Parent and Group considers evidence of impairment for financial assets measured at amortised cost (loans and receivables) at both a specific asset and collective level.

All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment the Parent and Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in surplus or deficit and reflected in an allowance account against loans and receivables or held-to-maturity. Interest on the impaired asset continues to be recognised.

When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through surplus or deficit.

### (j) Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All costs are charged to the profit and loss component of the statement of comprehensive income during the financial period in which they are incurred.

Land is not depreciated. Depreciation of property, plant and equipment is calculated using diminishing value income tax rates so as to expense the cost of the assets over their useful lives. The rates are as follows:

Buildings	2.0%
Furniture, fittings and office equipment	11.4 - 80.4%
Computer equipment	33.0 - 50.0%

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit and loss component of the statement of comprehensive income.

#### *Revaluations*

Civil Contractors New Zealand Incorporated's accounting policy was to revalue land and buildings every five years. It has been concluded that the continual revaluation of the land and buildings cannot be justified for cost-benefit reasons. The land and buildings were last revalued in December 2004. Since then Civil Contractors New Zealand Incorporated has been applying modified historical cost.

### (k) Intangible assets

Goodwill represents the excess of the purchase consideration over the fair value of net assets, acquired at the time of acquisition. Goodwill is tested annually for impairment. Brand names are recognised at cost. They are regarded as having indefinite useful lives as there is no foreseeable limit to the period they are expected to be useful. Brand names are tested annually for impairment.

Separately acquired trademarks are shown at historical cost. They are regarded as having an indefinite useful life and are tested annually for impairment.

## 1 Summary of significant accounting policies (continued)

### (k) Intangible assets (continued)

Website costs are capitalised on the basis of the costs incurred to acquire and bring to use the website. These costs are amortised over their estimated useful life of 4 years.

### (l) Changes in accounting policies

There have been no significant changes in accounting policies during the current year. Accounting policies have been applied on a basis consistent with prior year.

## 2 Critical accounting estimates and judgements

### Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### *Deferred tax asset on carried forward tax losses.*

The Group and Parent have incurred tax losses of \$200,832 (2019: \$139,632) over the last few financial years. Deferred tax has only been recognised on these losses up to the value of the deferred tax liabilities of the Parent on the basis that the remaining losses will not be able to be utilised against future taxable income. As a result, there is an unrecognised deferred tax asset of \$31,324 (2019: \$14,049) in relation to unused tax losses, see notes 12 and 7.

### 3 Financial instruments

#### Financial instruments by category

	Group		Parent	
	2020 \$	2019 \$	2020 \$	2019 \$
<b>Financial assets as per balance sheet</b>				
<b>Loans and receivables</b>				
Cash and cash equivalents	979,834	820,363	697,377	593,188
Trade and other receivables	221,943	307,495	144,771	300,631
<b>Held-to-maturity</b>				
Term deposits	936,329	897,724	936,329	817,724
<b>Available-for-sale</b>				
Shares in Contrafed	-	-	22,400	15,000
	<u>2,138,106</u>	<u>2,025,582</u>	<u>1,800,877</u>	<u>1,726,543</u>
<b>Financial liabilities at amortised cost</b>				
Trade and other payables	247,083	356,161	161,034	231,254
	<u>247,083</u>	<u>356,161</u>	<u>161,034</u>	<u>231,254</u>

### 4 Revenue

	Group		Parent	
	2020 \$	2019 \$	2020 \$	2019 \$
<i>Exchange revenue</i>				
Services	499,042	432,248	209,908	174,191
Conference income	647,215	748,992	647,215	748,992
NEOC/REOC income	71,916	105,843	71,916	105,843
Sponsorship	142,851	143,798	142,851	143,798
Subscriptions income	1,610,162	1,559,454	1,610,162	1,559,454
Functions income	473,784	436,016	473,784	436,016
Awards income	18,850	22,200	18,850	22,200
Advertising income	792,428	835,744	-	-
Trade certification income	12,047	30,000	12,047	30,000
Sundry income	11,811	17,230	18,211	13,286
Dividends	531	507	-	-
	<u>4,280,637</u>	<u>4,332,032</u>	<u>3,204,944</u>	<u>3,233,780</u>

## 5 Expenses

	Group		Parent	
	2020 \$	2019 \$	2020 \$	2019 \$
<i>Depreciation</i>				
Land and buildings	8,032	8,196	8,032	8,196
Fixtures and fittings and office equipment	17,555	22,397	6,647	4,607
Computer equipment	6,228	6,989	6,228	6,989
Total depreciation	<u>31,815</u>	<u>37,582</u>	<u>20,907</u>	<u>19,792</u>
<i>Amortisation</i>				
Amortisation	5,628	1,532	5,628	1,532
Total depreciation and amortisation	<u>37,443</u>	<u>39,114</u>	<u>26,535</u>	<u>21,324</u>
Accident compensation levy	2,714	2,713	1,614	1,629
Accounting fees	67,346	72,553	57,259	58,288
Advertising & promotion	32,769	18,949	25,432	19,131
Audit fees	34,754	39,483	26,811	32,045
Award costs	33,964	22,700	44,464	33,200
Bad debts	23,645	19,031	20,651	19,031
Bank fees & interest	3,899	3,998	2,935	2,573
Careers promotion	51,014	83,323	51,014	83,323
CEO expenses	10,662	6,514	10,662	6,514
Conference expenses	574,069	653,145	574,069	653,145
Contrafed subscriptions	-	-	44,410	44,932
Council costs	37,811	48,172	37,811	48,172
Entertainment	1,952	2,052	-	-
Fringe benefit tax	14,969	10,381	14,969	10,381
Functions	431,196	409,098	431,196	409,098
General expenses	93,565	64,039	46,226	54,377
Hire of plant & equipment	6,091	4,765	-	-
Industry liaison	12,748	18,964	12,748	18,964
Industry projects	14,893	13,520	14,893	13,520
Insurance	32,103	28,955	24,668	21,389
IT costs	23,751	24,065	4,140	6,686
Kiwisaver employer contributions	27,574	34,297	27,574	25,168
Legal & consulting fees	28,240	14,370	18,983	14,370
N3 Benefits Purchases	25,000	25,000	25,000	25,000
NEOC/REOC expenses	77,068	130,346	77,068	130,346
Office equipment & maintenance	37,813	41,830	34,207	35,932
Postage & couriers	6,413	11,293	6,340	11,293
Power & utilities	35,176	33,231	32,047	30,633
Printing & stationery	20,538	26,437	13,212	19,978
Public relations	5,025	8,193	5,525	10,933
Publication costs	16,629	19,575	28,730	31,675
Regional and technical manager expenses	116,813	144,359	116,813	144,359
Rent	31,667	36,400	-	-
Roadshow expenses	40,943	14,280	40,943	14,280
Salaries	1,330,701	1,261,667	1,013,169	949,974
Sponsorship	38,051	13,777	38,051	13,777
Staff training & recruitment	6,442	28,325	3,521	26,906
Subscriptions	30,048	38,982	30,048	23,856
Telephone & internet	25,178	26,745	16,642	16,702
Trade certification expenses	2,974	18,134	2,974	18,134
Travel & accommodation	97,572	109,229	91,308	98,368
Website maintenance	18,747	16,060	7,249	3,987
	<u>3,522,531</u>	<u>3,598,955</u>	<u>3,075,377</u>	<u>3,182,071</u>

## 6 Finance (income) costs - net

	Group		Parent	
	2020	2019	2020	2019
	\$	\$	\$	\$
<b>Finance income</b>				
Interest	<u>(28,289)</u>	<u>(34,650)</u>	<u>(25,336)</u>	<u>(31,218)</u>
Total finance income	<u>(28,289)</u>	<u>(34,650)</u>	<u>(25,336)</u>	<u>(31,218)</u>
Net finance (income) costs	<u>(28,289)</u>	<u>(34,650)</u>	<u>(25,336)</u>	<u>(31,218)</u>

## 7 Income tax expense

	Group		Parent	
	2020	2019	2020	2019
	\$	\$	\$	\$
<b>(a) Income tax expense</b>				
Current tax	17,144	142	-	-
Deferred tax	<u>(2,016)</u>	<u>3,975</u>	<u>-</u>	<u>-</u>
<b>Income tax expense</b>	<u>15,128</u>	<u>4,117</u>	<u>-</u>	<u>-</u>
<b>(b) Numerical reconciliation of income tax expense to prima facie tax payable</b>				
Surplus/(Deficit) before income tax expense	<u>179,179</u>	<u>79,782</u>	<u>128,368</u>	<u>41,594</u>
Income tax at 28%	<u>50,170</u>	<u>22,339</u>	<u>35,943</u>	<u>11,646</u>
Less tax effect of permanent differences				
Non assessable income and expenses	(52,317)	(32,271)	(53,218)	(25,695)
Unused tax losses for which no deferred tax asset has been recognised	<u>17,275</u>	<u>14,049</u>	<u>17,275</u>	<u>14,049</u>
Income tax expense	<u>15,128</u>	<u>4,117</u>	<u>-</u>	<u>-</u>
<b>(c) Unrecognised deferred tax balances</b>				
Unused tax losses for which no deferred tax asset has been recognised	<u>31,324</u>	<u>14,049</u>	<u>31,324</u>	<u>14,049</u>
Unrecognised deferred tax balances	<u>31,324</u>	<u>14,049</u>	<u>31,324</u>	<u>14,049</u>

## 8 Cash and cash equivalents

	Group		Parent	
	2020	2019	2020	2019
	\$	\$	\$	\$
Bank balances	979,773	820,307	697,377	593,188
Petty cash	<u>61</u>	<u>56</u>	<u>-</u>	<u>-</u>
	<u>979,834</u>	<u>820,363</u>	<u>697,377</u>	<u>593,188</u>

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

## 9 Trade and other receivables from exchange transactions

	Notes	Group		Parent	
		2020 \$	2019 \$	2020 \$	2019 \$
Trade receivables		185,576	253,713	30,753	119,198
Related party receivables	19	-	-	77,651	127,651
Prepayments		28,400	78,743	19,851	66,638
Accrued income		36,367	53,782	36,367	53,782
GST receivable		-	-	4,139	8,752
		<u>250,343</u>	<u>386,238</u>	<u>168,761</u>	<u>376,021</u>

Receivables are non interest bearing and are generally on terms from 30 to 90 days.

As at 31 March 2020, no receivables were impaired (2019: nil).

See note 19 for further details on the related party receivables.

## 10 Property, plant and equipment

Group	Land and buildings \$	Fixtures and fittings and office equipment \$	Computer equipment \$	Total \$
<b>At 1 April 2018</b>				
Cost	1,053,333	355,552	276,144	1,685,029
Accumulated depreciation	(132,434)	(312,389)	(265,366)	(710,189)
Net book amount	<u>920,899</u>	<u>43,163</u>	<u>10,778</u>	<u>974,840</u>
<b>At 31 March 2019</b>				
Cost	1,053,333	389,424	282,346	1,725,103
Accumulated depreciation	(140,630)	(334,787)	(272,355)	(747,772)
Net book amount	<u>912,703</u>	<u>54,637</u>	<u>9,991</u>	<u>977,331</u>
<b>Year ended 31 March 2020</b>				
Opening net book amount	912,703	54,637	9,991	977,331
Additions	-	8,167	4,524	12,691
Disposals	-	(3,718)	-	(3,718)
Depreciation charge (note 5)	(8,032)	(17,555)	(6,228)	(31,815)
Closing net book amount	<u>904,671</u>	<u>41,531</u>	<u>8,287</u>	<u>954,489</u>
<b>At 31 March 2020</b>				
Cost	1,053,333	359,824	286,870	1,700,027
Accumulated depreciation	(148,662)	(318,293)	(278,583)	(745,538)
Net book amount	<u>904,671</u>	<u>41,531</u>	<u>8,287</u>	<u>954,489</u>



**10 Property, plant and equipment (continued)**

Parent	Land and buildings \$	Fixtures and fittings and office equipment \$	Computer equipment \$	Total \$
<b>At 1 April 2018</b>				
Cost	1,053,333	241,223	276,144	1,570,700
Accumulated depreciation	<u>(132,434)</u>	<u>(220,000)</u>	<u>(265,366)</u>	<u>(617,800)</u>
Net book amount	<u>920,899</u>	<u>21,223</u>	<u>10,778</u>	<u>952,900</u>
<b>At 31 March 2019</b>				
Cost	1,053,333	251,621	282,346	1,587,300
Accumulated depreciation	<u>(140,630)</u>	<u>(224,608)</u>	<u>(272,355)</u>	<u>(637,593)</u>
Net book amount	<u>912,703</u>	<u>27,013</u>	<u>9,991</u>	<u>949,707</u>
<b>Year ended 31 March 2020</b>				
Opening net book amount	912,703	27,013	9,991	949,707
Additions	-	7,435	4,524	11,959
Depreciation charge (note 5)	<u>(8,032)</u>	<u>(6,647)</u>	<u>(6,228)</u>	<u>(20,907)</u>
Closing net book amount	<u>904,671</u>	<u>27,801</u>	<u>8,287</u>	<u>940,759</u>
<b>At 31 March 2020</b>				
Cost	1,053,333	259,056	286,870	1,599,259
Accumulated depreciation	<u>(148,662)</u>	<u>(231,255)</u>	<u>(278,583)</u>	<u>(658,500)</u>
Net book amount	<u>904,671</u>	<u>27,801</u>	<u>8,287</u>	<u>940,759</u>

## 11 Intangible assets

Group	Patents and other rights \$	Trademark \$	Website & Software \$	Total \$
<b>At 1 April 2018</b>				
Cost	22,892	14,223	8,200	45,315
Accumulated amortisation and impairment	(2,892)	-	-	(2,892)
Net book amount	<u>20,000</u>	<u>14,223</u>	<u>8,200</u>	<u>42,423</u>
<b>At 31 March 2019</b>				
Cost	22,892	16,580	14,704	54,176
Accumulated amortisation and impairment	(2,892)	-	(1,532)	(4,424)
Net book amount	<u>20,000</u>	<u>16,580</u>	<u>13,172</u>	<u>49,752</u>
<b>Year ended 31 March 2020</b>				
Opening net book amount	20,000	16,580	13,172	49,752
Additions	-	-	36,157	36,157
Amortisation charge (note 5)	-	-	(5,628)	(5,628)
Closing net book amount	<u>20,000</u>	<u>16,580</u>	<u>43,701</u>	<u>80,281</u>
<b>At 31 March 2020</b>				
Cost	22,892	16,580	50,860	90,332
Accumulated amortisation and impairment	(2,892)	-	(7,159)	(10,051)
Net book amount	<u>20,000</u>	<u>16,580</u>	<u>43,701</u>	<u>80,281</u>
Parent		Trademark \$	Website & Software \$	Total \$
<b>At 1 April 2018</b>				
Cost		14,223	8,200	22,423
Accumulated amortisation and impairment		-	-	-
Net book amount		<u>14,223</u>	<u>8,200</u>	<u>22,423</u>
<b>At 31 March 2019</b>				
Cost		16,580	14,704	31,284
Accumulated amortisation and impairment		-	(1,532)	(1,532)
Net book amount		<u>16,580</u>	<u>13,172</u>	<u>29,752</u>
<b>Year ended 31 March 2020</b>				
Opening net book amount		16,580	13,172	29,752
Additions		-	36,157	36,157
Amortisation charge (note 5)		-	(5,628)	(5,628)
Closing net book amount		<u>16,580</u>	<u>43,701</u>	<u>60,281</u>
<b>At 31 March 2020</b>				
Cost		16,580	50,860	67,440
Accumulated amortisation and impairment		-	(7,159)	(7,159)
Net book amount		<u>16,580</u>	<u>43,701</u>	<u>60,281</u>

Amortisation of \$5,628 has been included in depreciation and amortisation expense in the Group and Parent's statement of comprehensive income (2019: \$1,532).

## 12 Deferred tax assets/(liabilities)

	Group		Parent	
	2020 \$	2019 \$	2020 \$	2019 \$
<b>The balance comprises temporary differences attributable to:</b>				
Plant and equipment	<u>(31,968)</u>	<u>(30,642)</u>	<u>(31,968)</u>	<u>(30,642)</u>
Total deferred tax assets/(liabilities)	<u>(31,968)</u>	<u>(30,642)</u>	<u>(31,968)</u>	<u>(30,642)</u>
Set-off of deferred tax liabilities pursuant to set-off provisions	<u>36,040</u>	<u>32,698</u>	<u>31,968</u>	<u>30,642</u>
Net deferred tax assets/(liabilities)	<u>4,072</u>	<u>2,056</u>	<u>-</u>	<u>-</u>
<b>Movements - Group</b>				
	Property, plant and equipment \$	Provisions \$	Other \$	Total \$
<b>At 1 April 2018</b>	(31,267)	13,044	24,254	6,031
(Charged)/credited to the statement of comprehensive income	<u>625</u>	<u>(5,395)</u>	<u>795</u>	<u>(3,975)</u>
<b>At 31 March 2019</b>	<u>(30,642)</u>	<u>7,649</u>	<u>25,049</u>	<u>2,056</u>
<b>At 1 April 2019</b>	(30,642)	7,649	25,049	2,056
(Charged)/credited to the statement of comprehensive income	<u>(1,327)</u>	<u>3,481</u>	<u>(138)</u>	<u>2,016</u>
<b>At 31 March 2020</b>	<u>(31,969)</u>	<u>11,130</u>	<u>24,911</u>	<u>4,072</u>
<b>Movements - Parent</b>				
<b>At 1 April 2018</b>	(31,267)	7,013	24,254	-
(Charged)/credited to the statement of comprehensive income	<u>625</u>	<u>(1,420)</u>	<u>795</u>	<u>-</u>
<b>At 31 March 2019</b>	<u>(30,642)</u>	<u>5,593</u>	<u>25,049</u>	<u>-</u>
<b>At 1 April 2019</b>	(30,642)	5,593	25,049	-
(Charged)/credited to the statement of comprehensive income	<u>(1,327)</u>	<u>1,465</u>	<u>(138)</u>	<u>-</u>
<b>At 31 March 2020</b>	<u>(31,969)</u>	<u>7,058</u>	<u>24,911</u>	<u>-</u>

## 13 Trade and other payables

	Group		Parent	
	2020 \$	2019 \$	2020 \$	2019 \$
Trade payables	<u>138,493</u>	<u>213,402</u>	<u>88,104</u>	<u>150,229</u>
Employee entitlements	<u>58,512</u>	<u>69,917</u>	<u>46,565</u>	<u>66,734</u>
Accrued expenses	<u>99,285</u>	<u>131,868</u>	<u>67,620</u>	<u>73,999</u>
GST payable	<u>17,309</u>	<u>13,224</u>	<u>-</u>	<u>-</u>
Credit cards	<u>9,305</u>	<u>10,891</u>	<u>5,310</u>	<u>7,026</u>
	<u>322,904</u>	<u>439,302</u>	<u>207,599</u>	<u>297,988</u>

## 14 Reserves and retained earnings

	Group		Parent	
	2020 \$	2019 \$	2020 \$	2019 \$
<b>(a) Reserves</b>				
Property, plant and equipment revaluation reserve	<u>417,584</u>	<u>417,584</u>	<u>417,584</u>	<u>417,584</u>
Total reserves	<u>417,584</u>	<u>417,584</u>	<u>417,584</u>	<u>417,584</u>

## (b) Retained earnings

Movements in retained earnings were as follows:

	Group		Parent	
	2020 \$	2019 \$	2020 \$	2019 \$
Balance at 1 April	2,085,240	2,016,541	1,920,206	1,878,612
Net surplus / (deficit) for the year	<u>155,447</u>	<u>68,699</u>	<u>128,368</u>	<u>41,594</u>
<b>Balance at 31 March</b>	<u>2,240,687</u>	<u>2,085,240</u>	<u>2,048,574</u>	<u>1,920,206</u>

## 15 Members surplus/(deficit) for the year

	2020 \$	2019 \$
<b>National Office</b>		
Surplus before branch levies	251,849	111,942
Branch levies	<u>(139,354)</u>	<u>(137,618)</u>
National office surplus / (deficit) for the year	112,495	(25,676)
<b>Branches</b>		
Northland	16,799	4,050
Hawkes Bay	(9,798)	2,839
Southland	(6,575)	(680)
Wellington/Wairarapa	(2,984)	13,722
Nelson/Marlborough	(5,037)	5,928
Auckland	11,864	9,386
Taranaki	940	3,950
Otago	(256)	(694)
Wanganui	4	648
Canterbury	23,715	35,964
Bay of Plenty	1,501	3,207
Waikato	(4,941)	(7,184)
Manawatu	<u>(9,359)</u>	<u>(4,151)</u>
Total branches surplus / (deficit) for the year	15,873	66,985
Income tax expense	-	-
Net effect of parent consolidation entries	-	285
<b>Parent surplus/(deficit) for the year</b>	<u>128,368</u>	<u>41,594</u>
<b>Subsidiaries</b>		
Contrafed Publishing Co Limited	<u>42,083</u>	<u>34,071</u>
Total subsidiaries surplus	42,083	34,071
Net effect of Group consolidation entries	<u>(15,004)</u>	<u>(6,966)</u>
<b>Group members surplus/(deficit) for the year</b>	<u>155,447</u>	<u>68,699</u>

## 16 Contingencies

As at 31 March 2020, Civil Contractors New Zealand Incorporated (the Parent), as majority shareholder of Contrafed Publishing Co Limited, has agreed to provide ongoing support to Contrafed Publishing Co Limited if called upon. Such support will comprise the contribution of additional funds to Contrafed Publishing Co Limited up to a maximum sum of \$200,000 (2019: \$200,000).

## 17 Commitments

### *Operating lease commitments*

The Group leases equipment and vehicles. There is no option for renewal or purchase in respect of plant and equipment held by the Parent. Contrafed Publishing Co Limited leases its premises with a right of renewal at the end of the lease term.

	Group		Parent	
	2020 \$	2019 \$	2020 \$	2019 \$
Within one year	72,476	39,418	24,976	28,017
After one year but not more than five years	<u>65,994</u>	<u>39,210</u>	<u>14,234</u>	<u>39,210</u>
Total	<u>138,470</u>	<u>78,628</u>	<u>39,210</u>	<u>67,227</u>

On 21 January 2020, CCNZ entered into a contract with Te Papa for venue hire and catering for the conference that was planned to be held in July 2020. Although this has been cancelled due to COVID-19, CCNZ is committed to this expense for the 2021 conference. As at 31 March 2020, the commitment total is \$81,820.

## 18 Investments

The Parent's investment in subsidiaries comprises shares at cost. Significant subsidiaries comprise:

Name of entity	Principal activities	Interest held by the Parent	
		2020 %	2019 %
Contrafed Publishing Co Limited	Publishing company	83.27	79.55

The reporting date of the Parent and Group is 31 March.

## 19 Related parties

Key management personnel of the Group consist of the CEO and senior management. The total remuneration of key management personnel is set out below:

	2020	2019
Total remuneration	\$480,586	\$446,433
Number of FTE	2	2

During the year, Civil Contractors New Zealand Incorporated have used Kensington Swan for legal work. Paul Buetow, a legal advisor to the Executive Council of Civil Contractors New Zealand Incorporated is also a partner at Kensington Swan (an associate member of Civil Contractors New Zealand Incorporated). Total legal fees paid to Kensington Swan during the year ended 31 March 2020 were \$14,945 (2019: \$3,335).

Directors of Civil Contractors New Zealand Incorporated are also members of the society, and Civil Contractors New Zealand Incorporated has received income for the director's firms in the form of subscriptions, sponsorship and other income. All income has been received on an arm's length basis.

### **Contrafed Publishing Co Limited (related party of the Parent)**

Civil Contractors New Zealand Incorporated owns 22,400 shares (83.27% ownership) in Contrafed Publishing Co Limited (2019: 21,400, 79.55% ownership). During the year Civil Contractors New Zealand Incorporated purchased an additional 1,000 shares in Contrafed from the New Zealand Local Government Association.

## 19 Related parties (continued)

During the 2020 financial year Civil Contractors New Zealand Incorporated purchased subscriptions of \$44,410 (2019: \$44,932), awards costs of \$10,500 (2019: \$10,500), advertising services of \$17,970 (2019: \$15,660) publication services of \$12,100 (2019: \$12,100) and public relation services of \$500 (2019: \$2,740) from Contrafed Publishing Co Limited. Civil Contractors New Zealand Incorporated has advanced \$77,651 to Contrafed Publishing Co Limited (2019: \$127,651). The advance is interest free and repayable on demand.

Civil Contractors New Zealand Incorporated is willing to provide on-going financial support to Contrafed Publishing Co Limited if called upon. Such support will comprise the contribution of additional funds to Contrafed Publishing Co Limited up to a maximum sum of \$200,000 (2019: \$200,000). Such funds would be contributed only if requested by Contrafed Publishing Co Limited, and the structure by which such funds would need to be determined at the time any such request for support is received. Refer to note 16 for further details in relation to this.

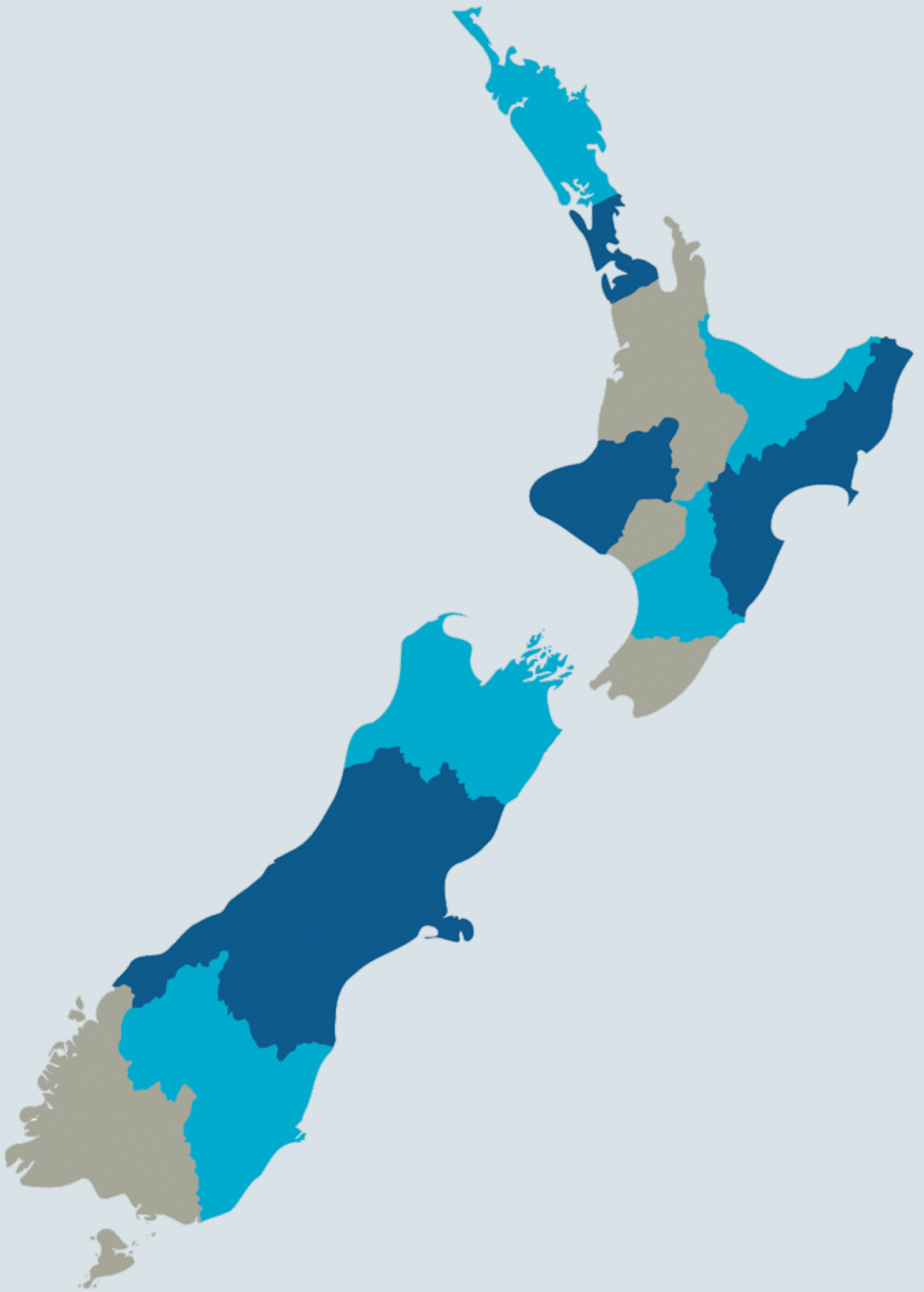
Civil Contractors New Zealand Incorporated has a facility agreement with Contrafed Publishing Co Limited dated 7 September 2009 and is secured by a first ranking General Security Deed of the same date. The term of the loan is that when the subsidiary bank account credit balance exceeds \$250,000, any excess above this amount is repayable to the lender. No interest is payable unless demanded by the lender at twelve months notice.

## 20 Events occurring after the reporting period

There were no events occurring subsequent to balance date which require adjustment to or disclosure in the financial statements.

## 21 Impacts of COVID-19

On 11 March 2020, the World Health Organisation (WHO) declared the COVID-19 outbreak a global pandemic. On 26 March, New Zealand entered level 4 COVID-19 lockdown which shut down the NZ civil construction industry, except for essential work. At the time of preparing these accounts, the full impact of COVID-19 on the civil construction industry in New Zealand and CCNZ is unknown. CCNZ has cancelled a number of branch and national events (including the 2020 NEOC, Annual Conference and Awards). The Executive Council has agreed to use some of CCNZ's cash reserves to offer all existing contractor and major associate members a two months fee-free period for April and May 2020 and has made substantial reductions in budgeted expenditure. The budget for 2020/21 now has a budgeted deficit of \$200,000.





**Civil**  
CONTRACTORS  
New Zealand

Civil Contractors New Zealand  
Margan House, 21 Fitzherbert Terrace  
Thorndon, Wellington 6011  
PO Box 12013, Wellington 6144  
0800 692 376  
info@civilcontractors.co.nz

[www.civilcontractors.co.nz](http://www.civilcontractors.co.nz)