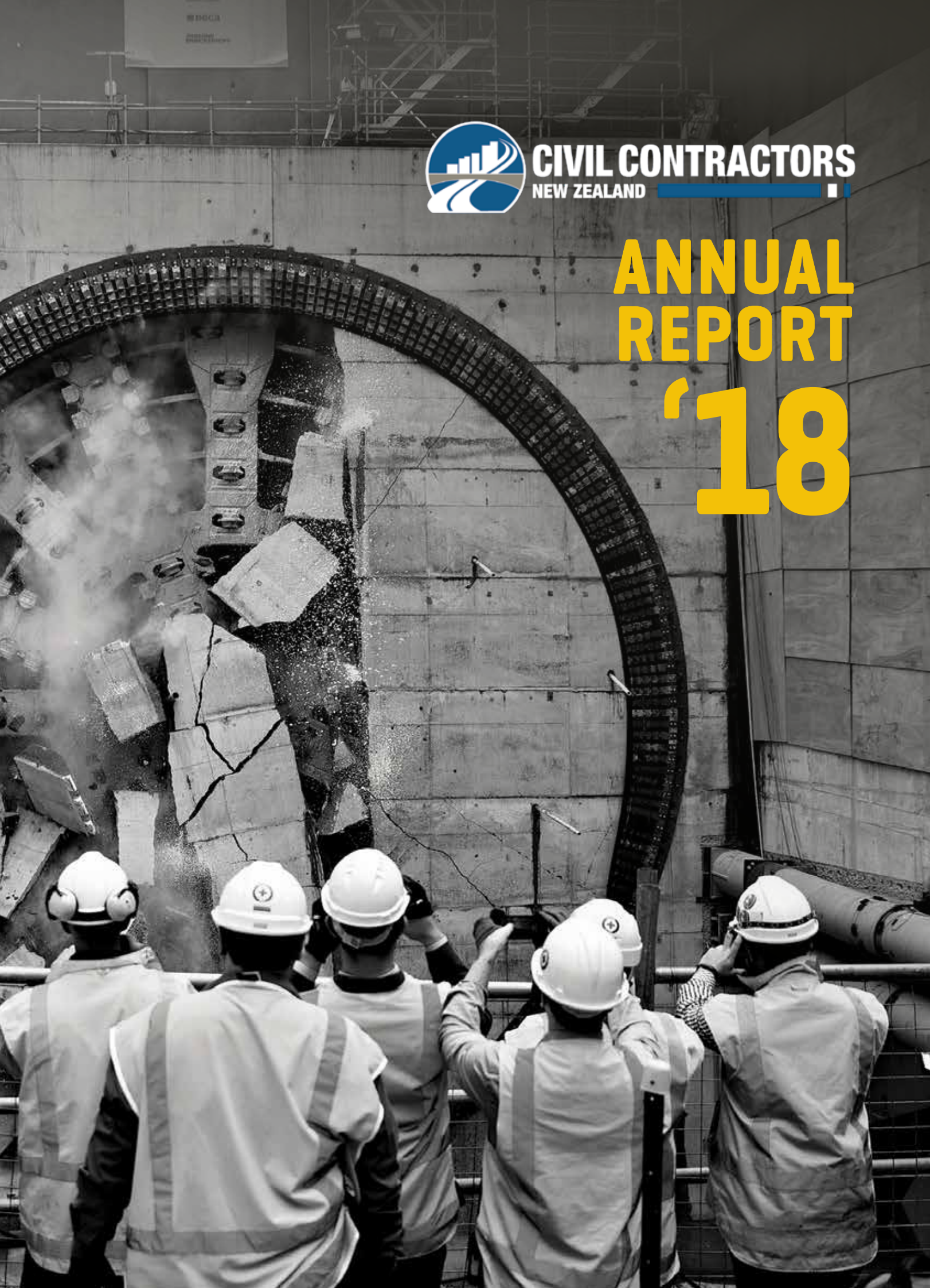




**CIVIL CONTRACTORS**  
NEW ZEALAND

# ANNUAL REPORT '18



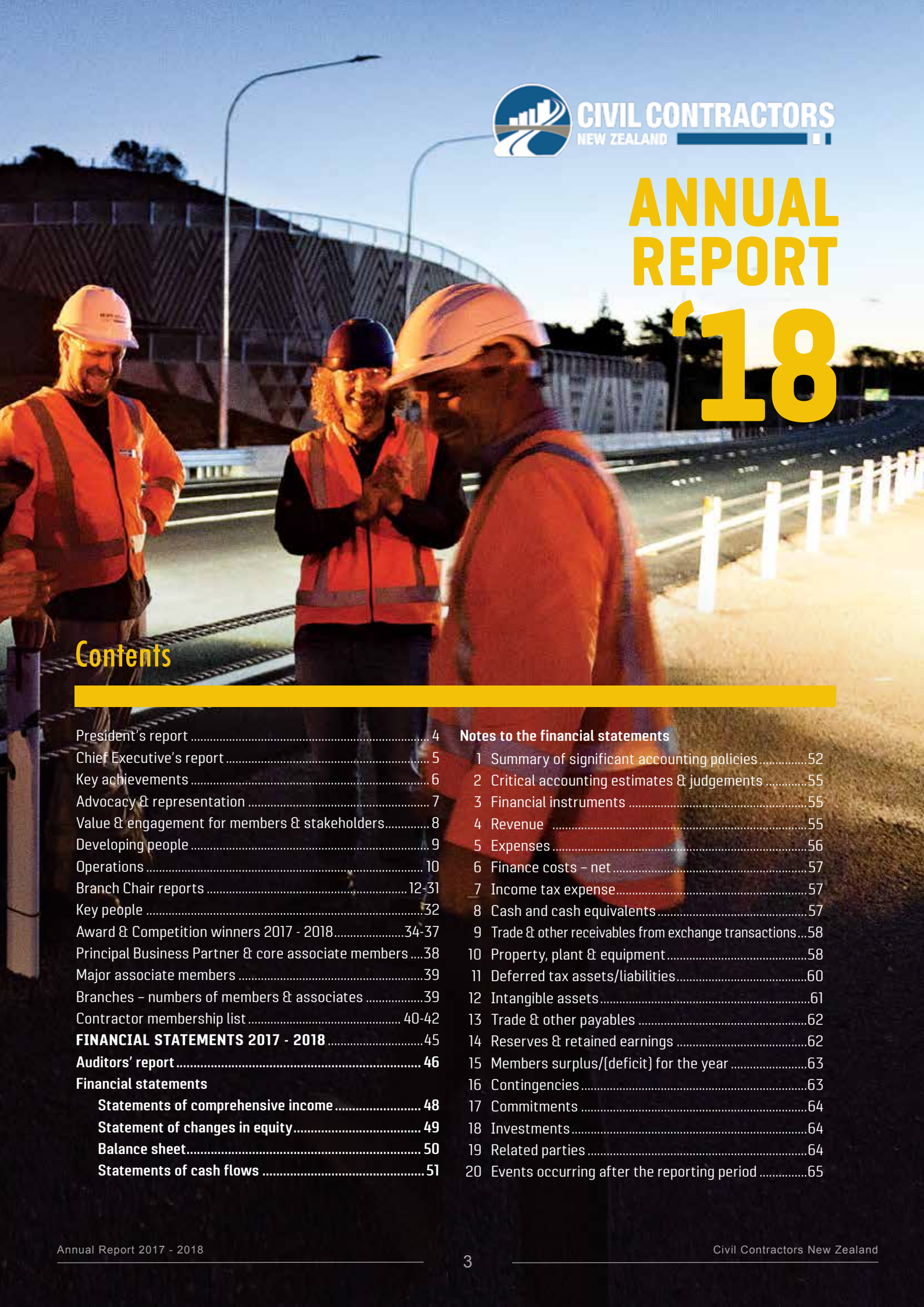


The Annual Report is a review of Civil Contractors New Zealand activities for the previous 12 months.

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# ANNUAL REPORT '18



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*'Whilst the new government acknowledges the need for infrastructure construction to cater for a growing population and to replace or upgrade older and often overloaded networks, their change in philosophic approach has led to a short term 'pause' in projects coming to market.'*

## President's report 2017-2018

Internally the 2017-2018 year has seen a significant change with the retirement of two long serving staff – Malcolm Abernethy and Alan Stevens. We thank them both for their huge input into our organisation, to CCNZ's predecessors the Contractors' Federation and Roading New Zealand, and more importantly to the civil construction industry of New Zealand over many years.

We have reviewed the structure of CCNZ to ensure we continue to meet the needs of our members in an ever-changing environment.

Externally, the following key initiatives, together with the myriad of 'business as usual' tasks, have made for a full year:

- Industry promotional recruitment campaign, introduced at our General Council meeting in April and launched mid-2018.
- Management/promotion of civil trades. Whilst this initiative is gaining momentum I urge all members to really support and encourage their staff to embrace this recognition of their skills.
- Engagement with politicians. We spent considerable time meeting with all parties prior to the November election, and have subsequently engaged with the new government to ensure our industry's concerns are heard.

Whilst the new government acknowledges the need for infrastructure construction to cater for a growing population and to replace or upgrade older and often overloaded networks, their change in philosophic approach has led to a short term 'pause' in projects coming to market. We need to see real work coming from their proposed Regional Development Funding.

The Havelock North water contamination event will have major impact on the design, management and operation of water supply networks throughout the country. CCNZ is working closely with all parties; Water NZ, Connexis, Local and Central Government to ensure our industry responds appropriately.

ConstructSafe continues to gain momentum and we are optimistic of finally achieving a single recognised and accepted approach to safety management across our sector.

In my role as President, I am fortunate to have visited a number of our branches over the past year. The skills of our people continue to amaze when attending the construction awards functions, which showcase a few of the many innovative and complex works our members undertake on a daily basis.

As I near the end of my term as President of CCNZ, I would like to thank my fellow executive councillors for their support and wise counsel over the past two years, and our staff and members for their work. I look forward to seeing many of our members at our Annual Conference in Hamilton.

**Brian Warren – President CCNZ**



*'...changing procurement policies and processes have meant the current environment is very dynamic and challenging for members.'*

## Chief Executive's report 2017-2018

The high level of investment on civil infrastructure over 2017-2018 provided good levels of work in most areas, however changing procurement policies and processes have meant the current environment is very dynamic and challenging for members. New policies and processes in the works have meant contractors have had to work harder to meet new legislative requirements, attract and retain staff and meet changing client requirements.

The change of government has seen a substantial shift in the type of infrastructure investment and major increase in the amount of money that central government is investing in infrastructure. This is only now beginning to ease off, and extensive consultation will be needed to navigate upcoming national and regional land transport plans, including new Provincial Growth Fund projects and a shift to place more emphasis on investments in rail and road safety.

CCNZ has been involved in a wide range of activities, and I want to thank our members for their support, active engagement and assistance at both branch and national level. CCNZ is the voice of the industry and is respected by government as a reliable source of information and a progressive and future focused organisation.

With two long serving members of staff leaving within one year, I want to take the opportunity to thank the remaining staff for their dedication and professionalism in the way they have managed the transition.

Our Strategic Plan recognises that we have three clear roles:

- Advocacy and representation
- Assisting the industry to build the capability, capacity and professionalism of its people
- To provide industry leadership and support self-governance

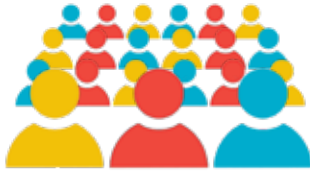
CCNZ will continue to work hard in this capacity. We have laid the groundwork for several exciting projects, including a career promotion platform to encourage new people to join the industry and new avenues to communicate with the public and decision makers. I look forward to supporting the industry once again in what promises to be an exciting 2018-2019 year.

**Peter Silcock – Chief Executive**

# Key achievements for 2017-2018



## Advocacy and representation



- Achieved significant impacts through more than 20 submissions at both national and regional levels
- Represented contractors on over 25 industry groups, working groups and consultative bodies
- Featured in over 100 media articles, online stories and radio interviews
- Engaged members in technical and other committees to influence change
- Maintained strong connections with local and central government

## Member and stakeholder value and engagement



- Provided over \$3 million of discounts to members
- Provided specific advice to over 100 members and general information and updates to all members
- Hosted over 60 Branch networking events
- Began work on updating our website and establishing a social media presence

## Developing people



- Over 150 Civil Trade Certified people and over 1,000 enrolled and working towards certification
- ConstructSafe is becoming the industry standard, with over 40,000 ConstructSafe Tier 1 tests taken
- Developed the inspirational EPIC Careers in Infrastructure platform
- Over 40 companies competed in our nine Branch and National Awards events
- Over 100 competitors in our 10 Regional Excavator Operator Competitions and one National Excavator Operator Competition



# Advocacy and representation



Civil Contractors New Zealand is the voice of the contracting industry and works to ensure contractors' views are heard. A proactive approach is needed to raise the profile of the industry and CCNZ, and this will continue into 2018-2019. From technical experts and policymakers to the general public, our aim is to improve understanding of what we do so more people can appreciate the vital role the civil contracting industry plays.

CCNZ had many significant meetings with policymakers in central and local government, and its media statements resulted in articles and increased awareness on topics such as the infrastructure pipeline, improvement to the procurement process and road worker safety. We are looking to ramp up our efforts in this space to achieve even more success for members.

## Procurement

CCNZ's Healthy Industry Statement remains the cornerstone of our advocacy work in this area. We have been actively engaged in the Ministry of Business Innovation and Employment Business Reference Group on procurement, the Local Government NZ Roading Efficiency Groups Procurement Sub-group and many central and local government discussions and consultations around procurement processes.

At the local government level, the branches, national office staff and regional managers have worked together very well to represent the interests of all members in these discussions. We have been an effective voice. Our inputs are valued and have resulted in significant changes.

We are continuing to hold regular meetings with most local authorities to exchange information and ensure that work programmes and industry capability are well understood. During the year we published a simple one-page guide to good procurement. The "4 Ways to get Better Value From Your Suppliers" document tackles four key issues:

1. Use simple user friendly RFT Documents to save time and costs for clients and contractors
2. Let them know what's coming – create visibility of work
3. Use standard terms and conditions with no or minimal special conditions
4. Don't load up the risks.

CCNZ's profile has meant central and local government are increasingly seeking our involvement and views as

they develop their procurement policies. This places us in a good position to have a positive influence on the outcomes.

## Prequalification

Prequalification systems remain one of the issues that members most frequently raise with CCNZ. The proliferation of systems results in increased costs for contractors and clients, the duplication of work and at times, conflicting requirements.

CCNZ has continued to advocate for government to work with the wider construction industry to develop a single, cost effective and widely accepted system. We have recently engaged with Local Government New Zealand on this issue and have agreed to look further at how local government standardisation might be achieved.

## Road worker safety

We have been putting significant effort into improving road worker safety, meeting with the New Zealand Transport Agency and New Zealand Police.

We also met jointly with the Minister of Police, Stuart Nash, and Associate Minister of Transport, Julie-Anne Genter. We had a very positive conversation regarding the need for more policing and prosecutions. The Minister encouraged us to call for police assistance if there was persistent speeding through sites. The Minister assured us that the police would pursue charges if there was good evidence and a chance of success.

The Associate Minister of Transport was very interested in the possibility of more publicity, the use of technology and the potential introduction of point to point speed monitoring. We have since followed up this meeting with a letter strongly supporting the need for the industry and police to work together, and the introduction of point to point speed monitoring. This has resulted in a trial programme planned for mid-2018.

## Technical issues, standards and specifications

CCNZ's technical committees have considered a wide range of issues during the year. CCNZ staff and representatives from across the industry come together to engage with officials and client groups to provide practical industry knowledge and expertise into the development of technical standards, codes of practice, discussion documents and research projects.

One major project we are undertaking is a review of the Code of Practice for Handling Bituminous Materials. This

is a very important document for our members and the review is a major undertaking.

With our new Technical Manager Stacy Goldsworthy on board we are keeping an active eye on upcoming discussions that may benefit from our members' technical expertise, as well as reviewing the technical committees purpose, Terms of Reference and membership. The current active committees are:

- Asphalt
- Pavement
- Surfacing
- Traffic

### Submissions

Central and local government agencies recognise CCNZ as the industry body with whom they can constructively engage. Over the past year we have made written and verbal

submissions to organisations ranging from Government and local authorities to Wellington Water and the Northland Transport Alliance on a wide range of issues, discussion papers, proposals, policies, regulations and Acts, including the Government Policy Statement for Land Transport.

### Networks and industry representation

CCNZ is represented on more than 25 industry associations, working parties, advisory and consultative groups. 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 us valuable avenues to advocate for and represent the views of contractors.

## Value and engagement for members and stakeholders



Members join CCNZ because they want to be part of a proactive network of professional contractors working to ensure that we have a safe, viable and progressive industry. They value having an organisation run by and working for contractors.

Member numbers have increased steadily during the year. It is encouraging to see a number of contractors that we have been encouraging to join for some time recognising the value CCNZ has to offer and signing up. Our best marketing tool is still word of mouth, with existing members extolling the benefits of membership to non-member contractors.

During the year we have established a Large Contractor

CEO Forum to improve communications with companies declaring over \$100 million of turnover, a Network Outcomes Contract Committee to assist CCNZ to better represent members on issues around state highway maintenance and we have established the National Excavator Operator Competition Committee to govern the competition.

### Principal Business Partner, Core Associates and Associate Members

We have again received very significant support from our major associate companies. CCNZ acknowledges and thanks Hirepool as Principal Business Partner, and Core Associate

#### CCNZ Members March 2016 - March 2018

	March 2016	March 2017	March 2018
Full Members	356	358	369
Full members (pending approval)	3	3	2
<b>Total contractor members</b>	<b>359</b>	<b>361</b>	<b>371</b>
Major Associates, Core Associates & Principal Business partner	40	42	46
Branch Associates	164	167	178
Member Subsidiary	16	20	20
<b>Total members</b>	<b>579</b>	<b>590</b>	<b>615</b>





Members CablePrice, Z and Kensington Swan and Major Associate Members for their financial and in-kind support. During the year we renewed our Principal Business Partner agreement with Hirepool. Our relationship with Hirepool goes back many years, but is stronger than ever.

### Providing value for our members

CCNZ membership also provides several discounts for members. Over the past year, members have saved an estimated \$3 million through membership benefits, including n3 trade discount membership, 15 minutes free legal advice from Kensington Swan, Z fuel discounts and more.

Our commitment going forward is to continue to enhance the value we offer members by improving engagement with the industry and responding to its changing needs. For contractors, we recognise that the needs of members vary widely and therefore we need a wide range of products and

services that meet those needs.

Last year we collaborated with Major Associate Member Teletrac Navman to undertake a survey of members. When asked about the value of CCNZ Membership, 58% of people gave a rating of valuable/very valuable/extremely valuable, 34% gave a rating of somewhat valuable and 8% not at all valuable. This information provides a good benchmark and identifies room for improvement in terms of the value we offer our members. The research also highlighted areas where we can do more to increase the value and we are pursuing a number of these ideas.

CCNZ has continued to use its primary tools, *Contractor* magazine and the fortnightly email newsletter *Civil Talk*, to keep members informed of coming initiatives, upcoming events and wider industry developments and trends. We will continue to improve and add to these offerings.

## Developing people



CCNZ has taken a lead role in developing people this year, working with members, branches and partners to develop industry qualifications, run the Civil Trades scheme, arrange training, develop an industry wide careers promotion platform and support the development of a credible safety competency framework and Construction Health and Safety New Zealand, a new construction safety leadership body.

### 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.

We now have approximately 150 qualified Civil Trades people, 269 people waiting to go through the Recognition of Current Competency (RCC) to obtain the required Level 4 Qualification and 481 non RCC (mainly apprentices). This is good progress for a new trade certificate launched in December 2015, but we still have a long way to go in terms of penetration into the wider civil workforce of approximately 40,000 people.

During the year we have simplified the process to encourage higher participation. We are now exploring the development of a Civil Industry Skills Accord aimed at clients and head contractors ensuring that skill development is part

of their procurement and subcontracting process.

Many civil construction clients are long term asset owners and we believe they need to encourage and support the investment in the people that will build and maintain their assets in the future. We have had a positive response from clients and government on this proposal.

CCNZ thanks Connexis and the individuals who serve on the Civil Trades Board and their employers for their work.

### EPIC Careers in Infrastructure

The attraction, development and retention of people is critical to the success of the industry. Civil Contractors New Zealand's members have pooled their ideas and resources over the past year to come up with the EPIC Careers in Infrastructure promotion platform.

EPIC's aim is to raise the profile of jobs in the industry amongst career seekers and give Kiwis an insight into an industry they can be proud to be a part of. To achieve this, printed and digital toolkits are being produced for CCNZ members to share the message. Social media channels and a website at [www.EPICWORK.NZ](http://www.EPICWORK.NZ) will be set up to spread the word as widely as possible.

CCNZ is looking to its members, partners and associates to use this platform to promote the amazing careers in the industry.

### ConstructSafe

ConstructSafe is a construction industry health and safety competency testing system operated by the Construction

Safety Council (CSC).

Significant progress has been made since ConstructSafe was launched in April 2017, with almost 50,000 Tier 1 ConstructSafe tests delivered, and the bulk of these in the civil sector. An increasing number of client groups and head contractors are specifying ConstructSafe Tier 1.

CCNZ is a member of CSC. The main goals are:

1. Encourage the adoption of ConstructSafe Tier 1 by clients and contractors
2. Develop ConstructSafe Tiers 2, 3, 4 and 5
3. Lead the establishment of Construction Health and Safety New Zealand as a health and safety leadership body.

Good progress has been made on these issues. Tier 2 Plant Operator and Tier 3 and 4 assessments are in the latter stages of development, to be launched in the 2018-2019 year.

## Education and training

CCNZ has continued to work closely with Connexis over the past year to ensure appropriate education and training is available to the industry. We have established a civil industry education and training group in collaboration with Connexis to advise both organisations.

Over the past year we have arranged some short courses for members including Sling, Lift, Move and Place courses and are exploring other short courses we can facilitate for members.

## Awards and competitions

Over the past year, CCNZ has reviewed its awards. Some of the outcomes have included establishing a better alignment between the national and branch awards to make it easier to

enter both competitions, and the removal of entry fees for the Z People Awards and Connexis Company Training Awards.

These awards are an opportunity to profile and reward companies, teams and individuals from within the industry, and provide an opportunity for the industry to come together and celebrate success. The significant effort and contribution from individuals at branch level to organise these events deserves recognition, and these awards would not be possible without the generous support of sponsors at national and branch levels. The 2017-2018 results are detailed in the awards section of this report.

## Regional and national excavator operator competitions

Regional and national excavator operator competitions are a unique feature on our events calendar. These competitions showcase the industry's skill at several high-profile events around the country, bring the industry together and provide healthy competition between members.

The national final held over two days is a big step up and pushes operators to new levels and testing not only their skill but also knowledge and time management. This year we maintained the media coverage achieved last year and have shifted the competition up a gear with the help of the Manawatu Branch and a very supportive group of long term and new sponsors.

CCNZ branches have contributed a lot of time and effort into running well attended and professional regional excavator competitions that showcase the industry at events such as Big Boys Toys and National Fielddays.

# Operations



## Branches

CCNZ branches create a strong foundation for CCNZ and a direct link to our members in the regions. Branch meetings, events and competitions improve every year and provide opportunities for members to network, gain new knowledge and showcase their skills and expertise.

Significant voluntary input from contractors and associate members has ensured the branches are active, providing networking and development opportunities for members and running events like the regional awards evenings and excavator operator competitions.

The branches and regional managers have also been active in engaging with local authorities particularly around procurement and the adoption of ConstructSafe and Civil Trades.

## CCNZ Conference

The 2017 Conference "Smart Contracting – Building our Capacity and Capability" was the first conference we have held in Dunedin for many years and was attended by over 400 people from across the country. The organising committee involved representatives from the Otago Branch.

### Conference highlights included:

- An address from the then Prime Minister Hon. Bill English
- The President's Welcome, where attendees competed to construct 10 sandpit diggers that were then donated to the local kindergartens
- A political forum featuring spokespeople from four parties
- The clan-themed CablePrice dinner



- The Hirepool Construction Excellence Awards dinner
- The Z luncheon which showcased the Z People and Connexis Company Training Awards
- Life Membership awarded to Cos Bruyn
- Service Awards presented to Graham Darlow, Bernie Higgins and Roger McRae

The 2018 "Smarter Together" Conference in Hamilton will be held jointly with the Association of Consulting Engineers. An attendance of over 550 people is expected.

### National Office and staff

The CCNZ National Office is located at Margan House in Thorndon, Wellington.

CCNZ currently employs seven full-time staff members, including three regional managers. During the year, we welcomed two new staff members. Stacy Goldsworthy replaced long serving Technical Manager Alan Stevens, and Ross Leslie replaced Stu Gardner as Central Regional Manager.

Executive Officer Malcolm Abernethy finished at the end of April 2017, and his role was not renewed. A Communications Advisor will be recruited in the next financial year, reflecting the growing importance of both internal and external communications to achieving our goals.

### Financial

CCNZ financial result for the year ended 31 March 2018 was a loss of \$10,354. This followed a 2017 surplus of \$189,325, and 2016 surplus of \$167,465.

National Office made a loss of \$24,617, following a 2017 surplus of \$153,590. Branches collectively made a loss of \$4,158 following a 2017 surplus of \$17,952, and subsidiary Contrafed Publishing made a surplus of \$2,391 following a 2017 surplus of \$11,394. The overall result signifies reinvestment in the industry and is satisfactory given the changes to staffing and a \$130,000 investment in the EPIC Careers in Infrastructure initiative.

# STRATEGIC PLAN 2016-2020



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 to assist them to build quality infrastructure	Industry Leadership Professionalism Working Together Accountability

ORGANISATION WIDE STRATEGIES			
<ul style="list-style-type: none"> <li>• Provide industry leadership</li> <li>• Support a safe and healthy industry</li> </ul>	<ul style="list-style-type: none"> <li>• Promotes sustainability and environmental excellence</li> <li>• Optimise communications</li> </ul>	<ul style="list-style-type: none"> <li>• Raise the positive profile of the industry and CCNZ</li> <li>• Engage members</li> </ul>	<ul style="list-style-type: none"> <li>• Promote the CCNZ Healthy Industry Statement</li> <li>• Liaison with asset owners</li> </ul>

## STRATEGIC OBJECTIVES

1 STRONG REPRESENTATION AND ADVOCACY	2 MEMBERS AND STAKEHOLDERS VALUE AND ENGAGEMENT	3 DEVELOP PEOPLE	4 OTHER
<ol style="list-style-type: none"> <li>11 Seek the views of and utilise the expertise of members, branches and associates</li> <li>12 Strengthen networks with other industry associations</li> <li>13 Raise the positive public profile of the industry and CCNZ</li> <li>14 Represent industry on key national and regional bodies</li> <li>15 Champion best practice</li> </ol>	<ol style="list-style-type: none"> <li>21 Update CCNZ Communications - new website and active social media strategy and presence</li> <li>22 Increase member, branch and associate engagement</li> <li>23 Enhance member discount opportunities</li> <li>24 Strong member value proposition to retain and recruit members</li> <li>25 Retain members through improved engagement and lifting CCNZ profile</li> <li>26 Develop an annual membership survey (including a membership value question)</li> <li>27 Develop a specific recruitment package for large off-shore companies</li> </ol>	<ol style="list-style-type: none"> <li>31 Embed Civil Trades into industry</li> <li>32 ConstructSafe is the industry H&amp;S standard</li> <li>33 Recognise and reward people through industry awards, competitions, events and scholarships</li> <li>34 Co-ordinated national careers promotion and recruitment template</li> <li>35 Establish a CCNZ Training Advisory Committee</li> <li>36 Promote diversity</li> </ol>	<ol style="list-style-type: none"> <li>4.1 Manage industry self-regulation to enhance industry professionalism</li> <li>4.2 Information and advice to members - relevant, concise and timely</li> <li>4.3 Increase National Office non subscription income</li> </ol>
<h3>COMPETITIVE ADVANTAGES</h3> <ul style="list-style-type: none"> <li>One voice</li> <li>Represents over 80% of the industry value</li> <li>Represents a critical NZ industry</li> <li>Branch and Associate member structure</li> <li>Great networks and relationships</li> <li>Industry Expertise</li> <li>Respected organisation</li> </ul>			

# BRANCH CHAIR REPORTS '18

*'Civil construction in Northland is buoyant. NZTA and local authorities have large tender programmes which look set to continue for the immediate future.'*

## Northland

CHAIR: KEITH COCKING

Branch membership has had a real boost in the last 12 months with seven more companies becoming members, boosting our local membership from 14 to 21. We have also had one new associate member join. 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 members so the branch represents our whole industry in Northland.

Financially the branch is in a comfortable position, having run a very successful awards night that gained outstanding sponsorship. Meetings and events have been well supported by members and associates, with the general mood of the Northland civil contracting industry being positive, which is consistent with the increase in the work demand we are currently experiencing.

The Executive Committee meets bi-monthly, and every six months there is a meeting with the three local councils, Northland Regional Council and NZTA to discuss civil construction in Northland. We have also been involved in the new Northland Transport Alliance (NTA) Shared Services Procurement and Maintenance Contracts, giving input on these new contracts. These meetings are proving very beneficial to all parties. The councils are also a regular part of our branch meetings and events.

Civil construction in Northland is buoyant. NZTA and local authorities have large tender programmes which look set to continue for the immediate future. Local commercial and residential developments have also increased over the last 12 months - local housing and subdivision work is a key driver for our members' services.

The highlight of the year was our fourth Northland Construction Awards night in conjunction with our AGM. It was held at Toll Stadium in Whangarei with 140 people attending, including CCNZ CEO, Peter Silcock. It was a fantastic night with good exposure. There were four project categories, plus awards for Community Contribution, Health & Safety, Leadership and Trainee. This awards night has become the single biggest event in our programme, and now attracts excellent interest and support from sponsors and councils.

The Northland Regional Excavator Operator Competition (REOC) was held at the Whangarei A&P Show in December. We had 10 entries and introduced some new activities which saw contestants tested and busy all day. The winner was Riki Lum of Clements Contractors and he represented Northland at the national final. Special thanks to key sponsors: CablePrice, Hirepool, Humes, Connexis, Z, First Gas, Doherty Group and Doug the Digger. Thanks also to the REOC Committee led by Murray Clements and Gordon Fox for the work done in setting up the course and facilitating the competition on the day.

A special thank you to our secretary, Sarra Ali, who stepped down in December, and a warm welcome to our new secretary, Tracey McKenzie. As new Branch Chair, I have enjoyed tremendous support from our Executive Committee, which has been great. Thanks also to our Northern Regional Manager, James Corlett, who has assisted us with advice and key meetings.



Installing the first layer of terramesh on a 6m deep rock spall base; Hautapu slip repairs, Northland 2017.



'Alice' the tunnel boring machine, Waterview Connection, Auckland.



# BRANCH CHAIR REPORTS '18

*'The Regional Excavator Operator Competition subcommittee took on the organising of a large construction area at Big Boys Toys to great success and have been asked to do the same again next year.'*

## Auckland

CHAIR: PETER GOLDSMITH

The Auckland Branch is thriving. Membership is growing, with 11 more members than last year and 14 more associates.

There is new blood on the Committee that are helping take events to a new level. The annual Awards Gala gets better each year, and this year it will be managed by the Auckland Chamber of Commerce. The night is a credit to the subcommittee and all those that assist.

We are looking to involve potential members in our bi-monthly meetings, and this has been very successful. The meetings have proven enormously popular. We are getting 200+ to every meeting and providing a good mix of education and entertainment, along with networking opportunities.

Financially, the Branch is strong with good reserves. While this year saw a small loss due to the funds allocated to the national careers initiative, events such as general meetings, Regional Excavator Operator Competition and Gala Night are all making small profits.

The Regional Excavator Operator Competition subcommittee took on the organising of a large construction area at Big Boys Toys to great success and have been asked to do the same again next year. In addition to the Excavator Competition, there were displays and stands covering a large area promoting our industry.

Despite these achievements, there's still plenty of work to do. A reasonably low percentage of member and associate organisations are attending meetings on a regular basis. This is a concern as they are not fully engaged and not getting the full value of their membership. We're looking at ways to increase this number and get people more involved.

In the local market, most members have plenty of work on their books at present. Of concern are the reports of large and medium sized companies losing money on key projects due to inaccuracy in tendering and rising costs.

Council Organisations have moved to Panels of Preferred Contractors. This restricts the number of contractors working directly for the principal, but reduces costs at both ends. Subcontractors are often 'told' what the rates are rather than 'asked', as rates are set.

The new Government has added some uncertainty to major projects. East West Link is an example of one roading project that was ready to be released but has been cancelled. The word is the Auckland roading network is complete and funds will go predominantly into light rail. The Auckland Business Forum, of which we are a member, looks to influence Infrastructure spend wherever possible.

The ever-increasing requirement for Prequalification of different systems is adding enormous cost to business. Not only are Council and Government organisations requiring different systems, but now large contractors are requiring it of their sub-contractors.

Recruiting and keeping good staff is very challenging at present. In addition, the requirement to prove competency or supervise your staff adds additional cost. Our members are looking forward to the National Careers Promotion and hopefully a sustained increased interest in our Industry.

We are looking for new and effective ways of communicating with our members. Members are bogged down with emails, and time is a constant pressure. The use of social media and improved website interface are areas that need attention at a national level.

# BRANCH CHAIR REPORTS '18

*'It was a stellar year for construction in 2017, with building consents issued within the Western Bay of Plenty sub-region reaching a record \$1.2 billion in value for the year.'*

## Bay of Plenty

CHAIR: GAVIN RIDDLE

The Bay of Plenty Branch remains on a stable financial footing, slightly ahead of the previous year end position. Our seed funding continues to be held in term deposit in the event it is required. 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.

Local Bay of Plenty market conditions have remained busy over the last 12 months, with regional economic development agency Priority One reporting:

"It was a stellar year for construction in 2017, with building consents issued within the Western Bay of Plenty sub-region reaching a record \$1.2 billion in value for the year. Tauranga City Council recorded \$927 million in consents issued for the 12-month period, 19% more than the previous high in 2016.

"Growth in the Western Bay district slowed a little, resulting in an annual total of \$263 million, which was 6% less than in 2016. However, overall consents in the Western Bay sub-region were 12% ahead of those issued for 2016, totalling \$1,189 million."

NZTA has stepped up delivery in the Safe Roads Alliance space locally, with a number of tenders released and contracts awarded. Of particular concern however is the reported about-face on the Tauranga Northern Link which looks to have stalled in the starting blocks. The continuation of major roading contracts across the region is of vital importance to the community and wider industry.

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

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.

As a branch, we have actively been offering our members greater value through an increase in the number of branch meetings with local relevant guest speakers, which seem to have been well received. We conducted an inter-branch technical meeting with the Waikato Branch, to visit the Southern Pipeline in Tauranga in late 2017. This was well attended with a high turnout from both Branches and proved to be exceptionally interesting for all.

Recognition needs to go to Branch Secretary Mike Lenihan who remains on top of all matters relating to the Branch, as well as thanks to James Corlett and the Branch Committee for their continued involvement.

I believe the Branch is well placed at present with a strong and experienced Committee to see it continue to deliver for our members going forward. Due to a change in roles personally, I have advised that I will be stepping down from the role of Branch Chair and wish the new Chair well with the role.





Aniwhenua Dam Head Wall Remediation works, Kaingaroa Forest, Bay of Plenty.



A Hamilton water treatment plant being craned into place on the Waikato River.



# BRANCH CHAIR REPORTS '18

*'The Waikato Branch has had good attendance numbers at our meetings. Our first event in February was the largest we have had in years with over 60 attending and many new faces.'*

## Waikato

CHAIR: GRAHAM RODGERS

There is still an abundance of work in the Waikato and a corresponding increase in the numbers of contractors coming into the marketplace. We have also seen some of the smaller contractors expand significantly. Although we were hoping to see better margins following on from the amount of work available, pricing remains tight overall.

There are two major infrastructure projects underway and NZTA is currently purchasing land and carrying out tree felling in preparation for a third. We have a number of residential sub-divisions and industrial projects on the go with many still on the drawing board. It is concerning however to see the poor standard of some of the documentation from local government and private engineers.

The Waikato Branch has had good attendance numbers at our meetings. Our first event in February was the largest we have had in years with over 60 attending and many new faces (and hopefully new members). It was good to hear discussion amongst members about the work CCNZ has been doing through its Technical Committee review.

As well as our contribution to the careers promotion project, we are also providing funding to POET (Perry Outdoor Education Trust). This is a program targeted at high schools throughout the Waikato, offering leadership training and careers advice to selected students.

Our awards evening last year was a great success and the entries already in for 2018 are an indication this year will be the same. We have decided to introduce another judge to ensure consistency with our succession planning for the future. A different team judges the Trainee Award and we also have got some excellent entries for that this year.

The Regional Excavator Operator Competition held at the National Fieldays was very well supported, and we had to limit the number of entries from each company. We have been fortunate that the Fieldays Society has set aside an area dedicated specifically to our event. It is larger in size, with better viewing for the spectators and we can leave some of our plant on site throughout the year.

Being able to resource projects with competent, skilled, experienced, and reliable staff is a continual challenge. There has been little change in this issue since last year, with reliability and drugs the main problems. This summer we experienced a number of challenges with long shirts and trousers being a part of the required PPE. Although cool packs were distributed to some workers, this was not sufficient, and work had to stop for a couple of hours. A cotton alternative may be an option to consider. Two of our larger local contractors have now given staff the choice of short sleeves and shorts.

ConstructSafe is becoming widely accepted now and we are not seeing the negativity towards it that was evident 18 months ago. We have even had companies use it for team building by having it on a Friday night with a social event afterwards.

We have a fantastic Branch Secretary and Executive Committee who are responsible for running our events and I would like to thank them all for the time and effort that they have put in on behalf of our members.

# BRANCH CHAIR REPORTS '18

*'The forestry market, with record high prices, is driving the local economy. Gisborne is finally in the so called 'wall of wood', and after all the talk for 25 years, the infrastructure is not there to support it.*

## Gisborne

CHAIR: MATT MEAD

Gisborne Branch membership is very static and on a slow decline, with no significant branch events to report on.

In general, the forestry market, with record high prices, is driving the local economy. Gisborne is finally in the so called 'wall of wood', and after all the talk for 25 years, the infrastructure is not there to support it. This is having affect across the district and currently a political football as the infrastructure is unable to cope. With about 1 million tons more to come this year to add in the mix, I don't know if there is sufficient resource and infrastructure to cope now let alone with this additional amount. The flow on work required from this is upgrading the port, bridges, sawmills, log yards, workshops and suchlike.

Gisborne District Council has limited funds after years of spending on 'nice to have' projects. With a big backlog of infrastructure renewal projects, this issue does not look like correcting itself anytime soon. There is a noticeable lack of skills in the three waters area as there is a boom bust cycle of tenders let in this area and no consistency for crews to invest in people and plant.

We are well into the Network Outcomes Contracts model, and they have been a disaster for our area. On the back of the wettest winter in a number of years, combined with a lack of spend and rapidly increasing logging traffic, our roads are a national disgrace. With the rise and fall of SSE, changing the NOC contracts and now Downer undertaking all maintenance in our region it seems to be slowly improving, and hopefully the new government urgently puts to use some of the regional fund to assist.

Horticulture and agriculture are still big drivers in our area. Both are doing well and see some investment in factories, pack houses and cool stores being undertaken. Subdivision work is minimal and only on an infill and small-scale basis.

The labour market is extremely tight and anyone that can turn up to work every day and be drug free is in hot demand, even with no skills. This includes loggers, machine operators, truck drivers, mechanics, drain layers, labourers and fieldworkers. With the Australia market quieter over the last couple of years I have noted a few people returning to the region with an increased skillset.

In our area, finding people who want to work and who are drug free is a huge problem. This will be the one main issue that will stop growth in our region. Branch finances remain static but strong for our branch size. We need some input on how we use our finances in the future.

Key issues for our branch over the next twelve months are to look to the future and see where our branch is going and what we want out of it. The last few years have been status quo and if we don't change it will die a slow death. We have opened informal discussions on this already with a couple of options to look at, but are open to recommendations.



Night resealing of Gisborne airport runway in 2015.

# BRANCH CHAIR REPORTS '18

*'The Hawke's Bay economy is going off with a recent ASB Regional Economic Scoreboard Report claiming that the Bay is 'knocking on the door' to becoming a rock-star regional economy.'*

## Hawke's Bay

CHAIR: ROBERT BEALE

I am happy to report the Hawke's Bay Branch has had another strong year. We have enjoyed a good cross section of contractors and associates on the committee and I would like to thank them all for their hard work. The branch is in sound financial position as evidenced by our balance sheet.

It would be fair to say the Hawke's Bay economy is going off with a recent ASB Regional Economic Scoreboard Report claiming that the Bay is 'knocking on the door' to becoming a rock-star regional economy. Most contractors have plenty of work on but a shortage of skilled labour is creating challenges. The Branch made the decision at the last AGM to get in behind our National Office and support the national careers promotion initiative as the industry struggles to come to terms with labour shortages across the whole country.

There was a lot to celebrate in 2017. The Regional Excavator Operator Competition was run in conjunction with the biennial 'ride in a truck day' held at the T&G Global site at Whakatu, attracting thousands of people. The competition was won by Dan Mepham from Gair Contracting who went on to represent Hawke's Bay in the national competition for the second time and this year took out the One-day Job Award category after scoping, designing and constructing a loading ramp in under an hour. Our two-time national champion Steve Galbraith from Galbraith Earthmovers was unable to make it a hat-trick this year finishing the competition in a very credible third place.

A major highlight of the year was the awards dinner which attracted over 125 people. It was fantastic to see increased competition for the awards and an extremely high quality of work was observed by the judges.

In the regional construction awards Jamieson Earthworks won the Under \$200,000 Category for a major Gabion Retaining Wall constructed in the Mangarau Stream at Havelock North, they also took out the contractor image award. Fulton Hogan won the Over \$200,000 Category with the Waitangi Reserve redevelopment at Clive for the HB Regional Council. Geofabrics NZ Ltd won the Suppliers Image Award.

The major challenge we face as a branch is getting people along to events. Members are already very busy and we have had to cancel events due to lack of numbers. The committee has decided to concentrate on a smaller number of key events and place a greater focus on promoting these to our members and associates, these will include the awards dinner, regional excavator operator competition, BNZ and associates open meeting, Goughs night in Waipukurau and the HB Cup race day.

I would like to conclude my report by thanking Bailey Gair for her continued work on the National Executive Committee, and also extend a special thanks to our outgoing secretary Norm Olsen for all his hard work over the years.



# BRANCH CHAIR REPORTS '18

*'A stable local market seems to be the opinion of most of the members.'*

## Taranaki

CHAIR: AL GREENWAY

Our branch members have a positive outlook for the future. A stable local market seems to be the opinion of most of the members. All contractor members have enough work to keep them busy, and storm/cyclone damage has created some extra work for the major contractors and their subcontractors. The Mount Messenger realignment of State Highway 3 is a major opportunity, and contractors maintain good relationships with local authorities and other organisations.

Our branch events are engaging, and we schedule bi-monthly Taranaki Branch member meetings. Although recruiting and retaining new members is a challenge, one new contractor member has joined the Taranaki Branch in the last year.

We held an event held in November 2017, with Thomas Visagie of WorkSafe New Plymouth attending as speaker. In February 2018, Paul Miller of SITECH spoke to the Branch about GPS guided earthwork levelling controls.

We also have an event planned with Russell Vickers of Branch Associate member Vickers Quarries, who will host a social gathering in late April to showcase his lifelong collection of worldwide geologies.



State Highway 3, Vickers to City Upgrade, Taranaki.

# BRANCH CHAIR REPORTS '18

*'Overall the branch  
is in a solid position  
and membership  
numbers are stable.'*

## Whanganui

CHAIR: HAYDEN LOADER

There are currently a couple of big local projects in the works for local members. One is a substantial storm water pipe installation and the other a large NZTA walkway remediation caused during the 2015 floods. Both these projects will take over a year to complete. The Whanganui District Council Alliance contract also comes up for renewal in the middle of this year. This contract has run a term of 10 years and is set to go for the same duration next time round.

Overall the branch is in a solid position and membership numbers are stable. Financially there was a small loss for the year. Locally business in general is buoyant, although trying to hire gear and people is a struggle. Tender responses for council jobs have been sporadic, and council staff are finding it hard to determine how many bids a tender is going to get, if any in some cases. They are trying to find ways to make the tender attractive for more bids.

The local council is putting out a steady amount of work and is keen to be involved with the Branch, which is appreciated by our members. Much of the slip work on SH4 north of Whanganui has been carried out with the remaining few projects of a size required to go out to tender. SH4 was in the news recently after a Taupō man was struck and tragically killed by falling debris. The man, a motorcyclist, had stopped to lend a hand to clear the road of debris when he was struck.

The new waste water treatment plant is now operational and rate payers will be hoping this one will do the job after spending millions on this plant and its failed predecessor. The local hot topic is now the rejuvenation of the port. The council once again own the port and things are underway to utilise it as a working port. The new Government have declared \$6m towards this project, including resurrecting the rail to the port.

The forestry industry is very active, with the next five to 10 years looking to be busy with harvesting set to ramp up in a massive way. The local roads are not going to hold up to the increase in heavy vehicles because of this, and who foots the bill for road repairs is a hot topic for discussion.

As a branch we held meetings in July and September. The meeting in July was a ConstructSafe presentation. The meeting in September was well attended and included presentations by Connexis and Business Central. Several of the council infrastructure staff were there to give reports on their particular departments.

We would like to recognise Allan Chapman of I D Loader Ltd who retired at the end of January after 49 years. Allan was an active and valued member of the Branch and we wish him well in his retirement. Special thanks to secretary James Bowen and support person Alison McLean for managing Branch administration. I look forward to another positive year.





# BRANCH CHAIR REPORTS '18

*'The local market has continued to grow with regards to subdivision work and local authority expenditure has increased.'*

## Manawatu

CHAIR: GREG LUMSDEN

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.

The general mood of members is good. We are lifting our game to encourage young, new members to come on board while encouraging existing members to participate more in branch activities. In our most recent executive meeting we elected a Functions/Activities Subcommittee to support this.

Branch membership has started to pick up with one confirmed new member and three still to confirm. Branch financial health is sound with a good surplus on the balance sheet.

The local market has continued to grow with regards to subdivision work and local authority expenditure has increased. There are currently many large projects south of Manawatu that will require our region's resources such as the Otaki and Levin Bypasses, and the trestle bridges just south of Foxton. The new Manawatu Gorge Bypass has been announced with a seven to eight-year completion date. Transmission Gully will also require our region's resources.

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.

The major events during the past year have been the Manawatu Regional Excavator Operator Competition in conjunction with the newly formed inter-company competition. This has resulted in a new member and other members wishing to join. The National Excavator Operator Competition was extremely well run by the Manawatu branch and takes a huge commitment each year from a dedicated team of 'good bastards' who give up their time, machinery and expertise to make such a great event.

A huge thankyou goes to this great team and the excellent support from the CCNZ sponsors who provide funding, goods and services for the event, particularly CablePrice, Hirepool, Z, Humes and Connexis.

Special thanks go to Tony Rutherford who has taken back the role of Branch Treasurer after the retirement of Secretary/Treasurer Debbie Ritchie. Debbie has executed this role for a few years and her efforts have been appreciated.



Dozer at work, Transmission Gully.

# BRANCH CHAIR REPORTS '18

*'Construction in Wellington is at a healthy level and the future prospective work looks to be sustainable.'*

## Wellington/Wairarapa

CHAIR: DAVID HOWARD

What a great year it has been for the branch, and possibly one of the busiest few years in recent times for the industry in Wellington. As Chair, I would like to thank our contracting and associate members and acknowledge the sponsors throughout the year for their generosity in supporting the branch meetings and events.

Overall, construction in Wellington is at a healthy level and the future prospective work looks to be sustainable. We have seen Wellington Water develop the Health & Safety Contractor Forum, forming a partnership between Wellington Water and their client contractors, in which many of our contracting members are involved.

After many years of status quo, we saw the Kāpiti Expressway open and the next stage, Peka Peka to Otaki, is now underway. We have seen the works on the Haywards Interchange completed and Transmission Gully well underway. At the same time, we are set to focus on quality training and qualifications for our teams with the development of the CCNZ careers promotion due to launch later this year. As a branch we agreed to back the promotion and are also looking at ways to encourage the training through the branch.

The Wellington/Wairarapa Branch continues to maintain membership, with branch meetings well attended and an increasing attendance from both associate and contracting members. I would like to thank Richard Wooding who resigned from the Executive Committee and welcome new committee member, Cody Pepere.

The Executive Committee continues to look for ways to make meetings interesting and worthy of attending. 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 our Chief Executive, Peter Silcock, regularly attending meetings along with Tricia and our new 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 for or donates to at least one charity each year, with this year's recipient being the Child Cancer Foundation and the money raised from the Regional Excavator Competition.

We have had some fantastic events, such as our 4-wheel drive day, and our Regional Excavator Operator Competition and Tudor Distributors Barrel Filling Competition. Congratulations to our Excavator Operator Competition winner – Jaden Fields of Fulton Hogan. Thank you to the organisers, sponsors and supporters, but most of all thank you to the companies and operators who took the time to enter. Our annual Golf Day was well organised and there was a fabulous turnout. The response from sponsors and volunteer help was incredible, thank you to Devon McAlpine from Asmuss Water Systems for his efforts in organising the event.

I would like to congratulate Michael Carson on becoming a Life Member of the Branch. I acknowledge his fantastic contribution the branch and organisation of the Regional Excavator Operator Competition each year. Although he is due to retire from E Carson & Sons, I look forward to him remaining as an Executive Committee member and active member of the Branch.

Here's to another great year for the Wellington/Wairarapa Branch and thank you to all of our members who attend, sponsor, support, judge and organise our events and meetings during the year.



# BRANCH CHAIR REPORTS '18

*'The industry has coped well with the impact of the November 2016 Kaikoura earthquake repairs, but as in most regions, we are finding good staff are hard to come by.'*

## Nelson/Marlborough

CHAIR: MALCOLM EDRIDGE

The Nelson/Marlborough Branch has maintained a stable membership and remains in good financial health. With strong demand from the residential sector in Nelson, Tasman and Marlborough there has been a big demand for our skills.

The industry has coped well with the impact of the November 2016 Kaikoura earthquake repairs, but as in most regions, we are finding good staff are hard to come by. The SH1 and SH63 Alternative Route repair work brought in many out of town contractors to help get through the work.

This is now slowing down as State Highway 1 is back open, and urgency has backed off the work on both State Highway 1 and State Highway 63 work. Viticulture in the Marlborough region (and the infrastructure required to support it) continues to grow, although finding new land is getting more difficult as all the flat land is running out.

Council infrastructure work in all our regions has continued. Our relationship with local government continues to be strong, and we are working hard with them to schedule our workload around meeting their programmes.

Our Regional Awards were a highlight, with 274 members and guests in attendance to recognise outstanding work from our membership base. We would like to thank the following sponsors for their support over the past year: Hirepool, Humes, Hynds, Cable Price, Land Dimensions Ltd, Crowe Horwath, ASB Bank Limited, Pumps & Filters and GRUNDFOS.

Once again, our branch funded a civil engineering scholarship with the Nelson Marlborough Institute of Technology. We would also like to thank Tim Glanville for his input in the Marlborough region over the past year.



Taylor's Lee Valley Limestone Quarry, Nelson region.

# BRANCH CHAIR REPORTS '18

*'The local market has tightened significantly in the previous year. Although there are many large projects keeping members busy, these are being let at extremely competitive rates with many companies bidding for work.'*

## Canterbury/Westland

CHAIR: GARETH BRUCE

This year, the Canterbury/Westland Branch has retained a strong membership base with numbers only slightly decreasing which was to be expected with the declining local market. Branch finances remain stable, although it is worth noting the significant expenditure supporting the national careers promotion. The branch also invested heavily into local training initiatives.

The local market has tightened significantly in the previous year. Although there are many large projects keeping members busy – including North Canterbury Transport Infrastructure Recovery work, New Zealand Transport Agency motorway projects and major council projects – these are being let at extremely competitive rates with many companies bidding for work. The local industry immediately felt the drop off in North Canterbury Transport Infrastructure Recovery workload, and as large motorway projects come to a close there will be an excess of contracting resources in the region. With Christchurch City Council moving to a procurement model involving pre-qualified panels of contractors, the majority of this part of the market is likely to be covered by a select few contractors.

The local executive focussed this year on people and training. As well as committing funds to National Office to assist with the civil careers promotion, we offered a series of scholarships to assist members with the costs of putting staff through an apprenticeship. We offered 20 scholarships of \$500, but disappointingly only had seven members take up the offer. This may be due to the declining market outlook.

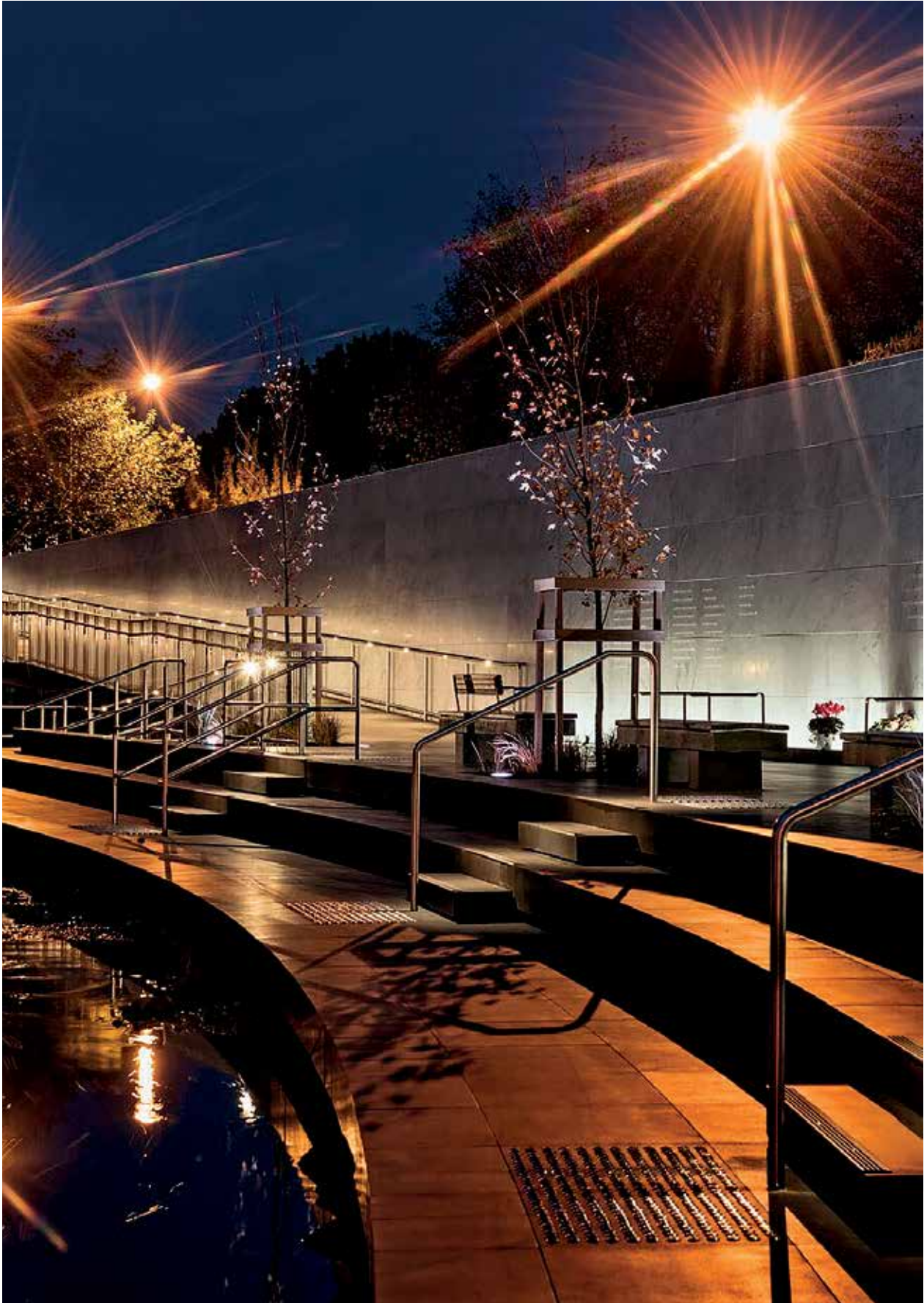
We also actively promoted ConstructSafe across local bodies and councils. This remains a work in progress, but with support from our Regional Manager we are slowly increasing awareness and seeing an uptake of the programme. The feedback we have from local bodies is that this needs to continue to be driven by NZTA as a prequalification to encourage local government to replicate this requirement in contracts.

Using the remaining budget, we supported Connexis and a local school's joint effort to create a practical and hands-on training programme for students to learn about the skills required in the industry.

Our annual awards evening was, as always, a great success. I want to thank the organising committee for continuing to innovate and keep the event fresh. We continued our focus on people and training by creating a new emerging leader category. Congratulations to all winners on the night, particularly to our supreme winner, Isaac Construction. I would also like to acknowledge the region's success at the national awards in Dunedin. Seipp Construction was highly commended in their project category, Fulton Hogan won the company training award and Harley Haywood (Utilities Infrastructure) and Sean Walsh (Isaac Construction) jointly won the emerging leader award.

A key issue the branch has identified is continuing to push for uniformity across prequalification, procurement and contract conditions between NZTA and councils to streamline the tendering and construction process.

A special thanks to our executive who continue to dedicate significant time and energy into providing our members as much value as possible.



Canterbury Earthquake National Memorial.

# BRANCH CHAIR REPORTS '18

*'The majority of the Otago Region is busy, and Central Otago is especially busy. Council upgrades are underway, and council contracts are steady within the five regions.'*

## Otago

CHAIR: KANE DUNCAN

This financial year we have no new members or resignations, so a stable membership, although we have had interest from several contractors who have not yet signed up. The general mood of branch members is good, although some members are not active within the Branch. Recent attendance numbers have increased due to more frequent general meetings in different regions.

The majority of the Otago Region is busy, and Central Otago is especially busy. Council upgrades are underway, and council contracts are steady within the five regions. Queenstown Lakes & Central Otago are busy with subdivisions booming and general and rural contracting is steady and much the same as 2016. All Local Authority Roading & Maintenance Contracts are settled in until the next round of tendering, and there have been a few NOC contracts formed with CCNZ members.

Although major opportunities are plentiful in the region and well-received by members, the majority of members are struggling to find skilled staff and resources to meet the region's demands. Our relationships with local authorities are good, although changes in management roles at QLDC and DCC regions mean new relationships will need to be built.

The financial health of the branch is good – we currently have \$44,000 in the bank with no outstanding invoices. The Otago Construction Awards night is the main contributor to a majority of the funds raised for this year.

A highlight for 2017/18 was the AGM and Construction Awards night held in Wanaka at Warbirds & Wheels. The winners of the 2017 Hynds Constructions Awards were:

- Category D - Civil Construction – Lakes Edge Kawarau Village
- Category B - Fulton Hogan Otago – Caversham Tunnel Civil Works
- Category A - SouthRoads – Takitakitoa Wetland Restoration

Troy Calteaux came first in the Otago Regional Excavator Operator Competition and went on to win the National Excavator Operator Competition. Danny Van De Voort was awarded the 2017 Young Contractor of the Year Award.

It can be a challenge getting members along to General Meetings and events, and having members feel like they are part of a federation. Being spread over 300 kilometres is part of the issue, and some parts of the region are less active than others, with Central Otago Region the most active.

The Executive Committee is active and involved, although this means it is always the same people putting in the hard work to ensure members are well informed about what is happening with the Executive Committee and local authorities, training organisations and exclusive member opportunities. Special thanks to Shane Bingham as Vice Chairman, and to Glenn Campbell, Carl and Andrew Hollands, Aaron Chave and Scotty Sutherland for great participation and the organising of Branch events.

Hynds and Hirepool also deserve special thanks for their ongoing support in the majority of our events and functions. Thanks to all our Major Associate & Associate Members for their ongoing support and sponsorship. My condolences also go out to Warren McLachlan for the passing of his wife Eleanor in June last year.



# BRANCH CHAIR REPORTS '18

*'Although work in the region is good, there is a feeling that it has suddenly peaked after a long low trough in the market, with NZTA projects in particular.'*

## Southland

CHAIR: REGAN McRANDLE

Southland Branch has been moving along with membership numbers remaining steady. The branch was fortunate enough to have a new branch associate come on board and the committee looks forward to working with them closely this year.

In the past year, the Branch Committee has focused on holding our second Construction Awards and the Southland Regional Excavator Competition. The second CCNZ Southland Construction Awards were held on 10 June 2017 at the ILT Ascot Park Hotel in Invercargill. This year, we increased the project categories from two to three and introduced a new 'People's Award'. As a result, we had an increase in entries and another successful night for our members.

Due to the success of the awards, the branch is currently very healthy financially, and a good financial result from this evening allowed us to hold a well-run Southland Regional Excavator Operator Competition. This proved to be another big success for the branch. The competition was run over two days with 18 entrants. Brendon Ferguson of Fulton Hogan was our regional winner, and he went on to represent our region at the national competition.

The past financial year has been good to our members. This has been a result of the dairy price steady and the farming sector increasing maintenance work, which has benefited some of our smaller members. There has been a slight increase of sizeable projects getting the go-ahead, both privately and from the government. Also, to be noted there has been more opportunity arising in the Central Otago region, which also benefits our local members.

The Branch relationship with local government is a work in progress. Currently it is hard work, especially trying to get any information on forward work programmes. Although work in the region is good, there is a feeling that it has suddenly peaked after a long low trough in the market, with NZTA projects in particular. There are major opportunities coming up with local government upgrading some very old infrastructure in the area. There is also a requirement for additional infrastructure in the region to accommodate increasing tourist numbers visiting each year.

Southland was once hailed as having fantastic road access, but over the past decade, due to a lack of investment (be it RON's, 'rotting the asset' or NOC's target price) they are now an embarrassment. As a region, the branch strives to see money invested into our infrastructure to bring our roads back up to the standard we were once praised for, not money for more signs and paintwork.

A constant bugbear is procurement. There are very few tenders coming out over the winter period (pre-construction season). If we are lucky, a couple of tenders come out in early October / November and then they dribble out up to Christmas. We then appear to get a larger flow of tenders after Christmas, which is well into the construction season! This making it very difficult to resource and programme work.

The sustainability of the industry in our region is a major challenge for the Branch. As a result of low regional investment, there is a shortfall in trained and competent operators. Due to the sparseness of the region and our low population it is difficult to recruit the right people. Although the past year has been good for our contractors, there is still a need of confidence from national and local government to ensure there will be a steady amount of work going forward to all contractors.

# Key People

CIVIL CONTRACTORS NZ POSITIONS HELD IN 2017-2018

## Executive Council

**PRESIDENT** Brian Warren  
**VICE PRESIDENT** Tim Ford  
**PAST PRESIDENT** Dave Connell  
**EXECUTIVE COUNCILLORS**  
Brent Leach  
James Crow  
Stephen Delaney  
Tony Pike  
Colin Calteaux  
Gary Richardson (Major Associate)  
Bailey Gair  
**LEGAL ADVISOR** Paul Buetow

## National Office

**CHIEF EXECUTIVE** Peter Silcock  
**EXECUTIVE OFFICER** Malcolm Abernethy (to Apr)  
**TECHNICAL MANAGER** Alan Stevens (to Feb)  
Stacy Goldsworthy (from Jan)  
**REGIONAL MANAGERS:**  
**NORTHERN** James Corlett  
**CENTRAL** Stu Gardner (to Dec)  
Ross Leslie (from Feb)  
**SOUTHERN** Ollie Turner  
**MEMBERSHIP MANAGER** Tricia Logan  
**OFFICE MANAGER** Lyn Kuchenbecker

## Northland

**SECRETARY** Sarra Ali  
**CHAIR** Keith Cocking

## Auckland

**SECRETARY** Joyce Tilbrook  
**CHAIR** Peter Goldsmith

## Bay Of Plenty

**SECRETARY** Mike Lenihan  
**CHAIR** Gavin Riddle

## Waikato

**SECRETARY** Nicki Carson  
**CHAIR** Graham Rodgers

## Gisborne

**SECRETARY** Rebecca Watson  
**CHAIR** Matt Mead

## Hawkes Bay

**SECRETARY** Norm Olsen  
**CHAIR** Rob Beale

## Taranaki

**SECRETARY** Naomi Puketapu-Waite  
**CHAIR** Al Greenway

## Wanganui

**SECRETARY** James Bowen  
**CHAIR** Hayden Loader

## Manawatu

**SECRETARY** Debbi Ritchie  
**CHAIR** Greg Lumsden

## Wellington / Wairarapa

**SECRETARY** Laura Dews  
**CHAIR** David Howard

## Nelson / Marlborough

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

## Canterbury

**SECRETARY** Karlyn Webley  
**CHAIR** Gareth Bruce

## Otago

**SECRETARY** Alex Lo  
**CHAIR** Kane Duncan

## Southland

**SECRETARY** Lou Dougherty  
**CHAIR** Regan McRandle







## CIVIL CONTRACTORS / HIREPOOL

# Construction Excellence Awards 2017

WE WOULD LIKE TO ACKNOWLEDGE THE FOLLOWING WINNERS OF OUR CONSTRUCTION AWARDS



**CATEGORY 1A: Projects with a value of less than \$5 million (Company turnover less than \$10 million)**

**WINNER: CCL – Jackson Street Wastewater Renewals**

The majority of this project was within private property, with steep terrain and limited machine access. Four different construction methods were used for pipe laying sections including hand digging some trenches. A strong relationship was developed and maintained with the property owners whose acceptance of the on-site work was absolutely necessary.

CCL collaborated with MWH and Wellington Water to obtain approvals for these. The outcome was a happy client from a very well thought through and constructed project that met environmental, quality and safety requirements and left the site in a better condition than when they started.

**CATEGORY 1A: Highly Commended**  
**Seipp Construction – Beachville Road Seawall**



**CATEGORY 1B: Projects with a value of less than \$5 million (Company turnover more than \$10 million)**

**WINNER: Waiotahi Contractors for Aniwhenua Dam Head Wall Remediation Works**

The project to repair a leak from the Aniwhenua Power Station Head Pond was considered a particularly difficult and interesting job by the judges.

The work entailed a degree of uncertainty in that exploratory works were unable to determine exactly what conditions existed around the area of the leak, with accumulated debris on the floor of the head pond making planning difficult.

Deadlines were strict, and a progressive approach to the design of the repair was required which, in turn, required confidence in the contractor from the client and the engineer.

The parties involved worked together to develop solutions to problems that were uncovered as the project progressed, and while significant technical difficulties were encountered, these were worked through “on the job” to the satisfaction of the client.

Both the client and the consultant commended Waiotahi on their ability to work closely and collaboratively, and the end result was an excellent project, delivered on time and to budget.

**CATEGORY 1B: Highly Commended**  
**Downer NZ – Le Roy’s Lookout**



**CATEGORY 2: Projects with a value of between \$5 million and \$20 million**

**WINNER: Fulton Hogan – SH3 Vickers to City Upgrade**

This project doubled the capacity of two kilometres of live highway into New Plymouth, and with walking and cycling improvements. This required detailed planning and delivery staging to minimise impacts with road users, adjacent residents, business and utility owners. Service relocations within the route were complex, requiring a focused and thorough collaborative approach to ensure these were integrated.

Two major bridge widenings along with seven intersection upgrades were carried out seamlessly with the main corridor upgrade. Environmental aspects, health and safety and quality delivery were a major focus and achieved very high outcomes during the project delivery.

During works a very strong team culture and relationship was developed with the NZTA and New Plymouth Council, and all parties were proud of the completed works.



### **CATEGORY 3: Projects with a value of between \$20 million and \$100 million**

#### **WINNER: Goodman Contractors – MacKays to Peka Peka**

The Earthworks Subcontract undertaken by Goodman Contractors for the Mackays to Peka Peka Alliance is a great example of the outstanding outcome that can be achieved by utilising the knowledge of conditions a local contractor brings.

In this case Goodman's were involved through the early phases of the project, including tendering and consenting when they demonstrated to all members of the main alliance the benefits of utilising their skills in undertaking project earthworks through sand, peat and swamps, minimising impacts on the environment and enhancing the visual experience for road users.

The M2PP project is an 18 kilometre four lane expressway taking SH1 along the Kapiti coast requiring the earthmoving subcontractor to shift some 3.5 million cubic metres of material, much on the critical path for the project, while ensuring the many local roads intersecting the new expressway alignment at grade remain in use.

All participants can be very proud of the success of this project which started with a community hostile to the proposal, and finished with the local authority, client and stakeholders effusive in their praise of the project. The judges were also very impressed by Goodman's commitment to development of further cloud based business systems and congratulate the team on their winning entry.



### **CATEGORY 4: Projects with a value greater than \$100 million**

#### **WINNER: Well-Connected Alliance – Waterview Connection**

The Waterview Connection Project is arguably the most complex infrastructure project undertaken in New Zealand. It is an outstanding example of what can be achieved when a diverse group of constructors, designers and the client work together collaboratively to achieve a single goal, being the delivery of exceptional facilities for the public.

The project, for the NZ Transport Agency, delivered not only two of the nation's longest road tunnels at 2.4 kilometres each, but also a complex motorway to motorway interchange at Great North Road, five kilometres of pedestrian/cycleway paths, skate parks, BMX track, sports fields and an environmental upgrade of the Oakley Creek.

The Well-Connected Alliance, which won the project in a competitive tender, consisted of seven organisations being the NZ Transport Agency, Fletcher Construction, McConnell Dowell, Obayashi, Beca, WSP and Tonkin & Taylor plus two sub-alliances. The judges were impressed with the Well-Connected Alliance's focus and investment in gelling this diverse cultural group from New Zealand, Australia, Japan and Spain into a single harmonious team.

It is hard to fully portray the extent of the complexity and risks in this project and the achievement of the team that successfully delivered it in this short citation. The judges congratulate the Well-Connected Alliance on its winning entry.



### **CATEGORY 5: Excellence in the maintenance & management of assets including routine maintenance**

#### **WINNER: Downer NZ – Maintenance Dunedin area traffic signals network**

This year's finalists were all smaller maintenance contracts, but a consistent theme was the development of a strong relationship between client and contractor resulting in the generation of trust between the parties.

Over the past four years the Downer team has had a strongly collaborative approach to working with the parties involved which included both NZTA and Dunedin City Council. As a result of this collaboration they developed innovative practices which reduced costs and improved services for the residents travelling in their area of influence.

Downer took a previously manual data collection system and established an electronic asset database which has proved to be efficient and effective, and suggested improvements to the system have been readily taken on board by the clients.

Training of apprentices is also a feature of the contract and this practice is to be applauded.

The Dunedin City Council Traffic Signals Maintenance Contract is a great example of a smaller project, well executed, providing innovation and client satisfaction.



National Excavator Operator Competition 2018.



## Z People Awards 2017

### EMERGING LEADER CATEGORY

**JOINT WINNERS:** Sean Walsh (Isaac Construction)  
Harley Haywood (Utilities Infrastructure NZ)

### TRAINING AND DEVELOPMENT CATEGORY

**WINNER:** Liam Woodmass (Downer NZ)

## Connexis Company Training Awards 2017

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

**WINNER:** Construction Contracts

### \$10M-\$25M COMPANY TURNOVER CATEGORY

**WINNER:** ICB Retaining & Construction

### \$25M PLUS COMPANY TURNOVER CATEGORY

**WINNER:** Fulton Hogan

### PROJECT CATEGORY

**WINNER:** Waikato Expressway Huntly Section – Fulton Hogan HEB Joint Venture

## CablePrice National Excavator Operator Competition 2018

**WINNER:** Troy Calteaux, Otago

**RUNNER UP:** Jim Beamsley, Manawatu

**THIRD:** Steve Galbraith, Hawkes Bay

**HUMES GOOD BASTARD AWARD:** Jim Beamsley, Manawatu

**CONTRACTOR MAGAZINE ONE DAY JOB:** Dan Mephram, Hawkes Bay

### REGIONAL EXCAVATOR OPERATOR COMPETITION WINNERS 2017-2018

**DEFENDING CHAMPION:** Steve Galbraith (Galbraith Earthmovers)

**NORTHLAND:** Riki Lum (Clements Contractors)

**AUCKLAND:** Nick Cain (Waiau Pa Bulk Haulage)

**WAIKATO:** Michael Bowe (Bowe Brothers Excavating)

**BAY OF PLENTY:** Craig Crowley (Crowley Excavators)

**HAWKES BAY:** Dan Mephram (Gair Contracting)

**MANAWATU:** Jim Beamsley (Central Demolition)

**WELLINGTON/WAIRARAPA:** Jaden Field (Fulton Hogan)

**CANTERBURY/WESTLAND:** Sam Rihari (Road Metals)

**OTAGO:** Troy Calteaux (Andrew Haulage 2011)

**SOUTHLAND:** Brendon Ferguson (Fulton Hogan)

# Principal Business Partner & 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 2005

- 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

[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 / Training and Development)
- National Excavator Operator Competition



### Kensington Swan

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

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

- Principal Sponsor of the National Excavator Operator Competition
  - Sponsor of the contractors' themed dinner at Conference
- CablePrice, like its Civil Contractors NZ membership, is built to last.
- 





## Major associate members Supporters of Civil Contractors NZ from April 2017 to March 2018

AB Equipment	Equipment supplier	<a href="http://www.abequipment.co.nz">www.abequipment.co.nz</a>
AECOM New Zealand	Project solution providers	<a href="http://www.aecom.com/nz">www.aecom.com/nz</a>
Allied Petroleum	Fuels & lubricants	<a href="http://www.alliedpetroleum.co.nz">www.alliedpetroleum.co.nz</a>
Argyle Performance Workwear	Safety clothing & footwear	<a href="http://www.argyleperformanceworkwear.com">www.argyleperformanceworkwear.com</a>
Asmuss Water Systems	Pipe systems	<a href="http://www.hja.co.nz">www.hja.co.nz</a>
BNZ Partners	Finance	<a href="http://www.bnz.co.nz">www.bnz.co.nz</a>
Canstaff	Recruitment	<a href="http://www.canstaff.co.nz">www.canstaff.co.nz</a>
CivilShare	Civil contractors' marketplace	<a href="http://www.civilshare.co.nz">www.civilshare.co.nz</a>
Connexis	Infrastructure ITO	<a href="http://www.connexis.org.nz">www.connexis.org.nz</a>
Crombie Lockwood NZ	Insurance	<a href="http://www.crombielockwood.co.nz">www.crombielockwood.co.nz</a>
Doherty Engineered Attachments	Excavation attachments	<a href="http://www.dohertydirect.net">www.dohertydirect.net</a>
Doug the Digger	Training	<a href="http://www.dougthedigger.co.nz">www.dougthedigger.co.nz</a>
ENZED	Hoses & service	<a href="http://www.enzed.co.nz">www.enzed.co.nz</a>
ERoad	Technology solutions	<a href="http://www.eroad.co.nz">www.eroad.co.nz</a>
Firth Certified Concrete	Concrete supplier	<a href="http://www.firth.co.nz">www.firth.co.nz</a>
Geofabrics New Zealand	Geosynthetic solutions	<a href="http://www.geofabrics.co.nz">www.geofabrics.co.nz</a>
Gough Cat	Equipment supplier	<a href="http://www.goughcat.co.nz">www.goughcat.co.nz</a>
Hays Specialist Recruitment	Recruitment	<a href="http://www.hays.net.nz">www.hays.net.nz</a>
Holcim NZ	Cement & aggregate	<a href="http://www.holcim.co.nz">www.holcim.co.nz</a>
Humes Pipeline Systems	Pipe supplier	<a href="http://www.humes.co.nz">www.humes.co.nz</a>
Hynds Pipe Systems	Pipe supplier	<a href="http://www.hynds.co.nz">www.hynds.co.nz</a>
Infrastructure New Zealand	Infrastructure Industry body	<a href="http://www.infrastructure.org.nz">www.infrastructure.org.nz</a>
Komatsu NZ	Equipment supplier	<a href="http://www.komatsu.co.nz">www.komatsu.co.nz</a>
Life Care Consultants	Safety & first aid training	<a href="http://www.lifecareconsultants.co.nz">www.lifecareconsultants.co.nz</a>
Manage Company	ACC levy reduction	<a href="http://www.manageacc.info">www.manageacc.info</a>
Mimico	Heavy equipment sales & service	<a href="http://www.mimico.co.nz">www.mimico.co.nz</a>
NZ Equipment Group	Equipment supplier	<a href="http://www.nzeg.co.nz">www.nzeg.co.nz</a>
NZ Transport Agency	Government roading agency	<a href="http://www.nzta.govt.nz">www.nzta.govt.nz</a>
NZIHT	Civil engineering industry training	<a href="http://www.nziht.co.nz">www.nziht.co.nz</a>
Oil Intel	Lubricants	<a href="http://www.oilintel.co.nz">www.oilintel.co.nz</a>
Pelican Corp NZ	Underground utility location	<a href="http://www.beforeudig.co.nz">www.beforeudig.co.nz</a>
Plan A	Document writing & training	<a href="http://www.plana.co.nz">www.plana.co.nz</a>
Porter Hire Limited	Equipment hire	<a href="http://www.portergroup.co.nz">www.portergroup.co.nz</a>
POWERco	Gas & power provider	<a href="http://www.powerco.co.nz">www.powerco.co.nz</a>
SITECH NZ	Site-wide solutions	<a href="http://www.sitech.co.nz">www.sitech.co.nz</a>
Teletrac Navman	Fleet tracing software	<a href="http://www.teletracnavman.co.nz">www.teletracnavman.co.nz</a>
TR Group	Truck & trailer rentals	<a href="http://www.trgroup.co.nz">www.trgroup.co.nz</a>
Turners Trucks & Machinery	Truck & machinery providers	<a href="http://www.turners.co.nz">www.turners.co.nz</a>
UDC Finance	Finance	<a href="http://www.udc.co.nz">www.udc.co.nz</a>
Wacker Neuson	Construction machines & equipment	<a href="http://www.ca.wackerneuson.com/en/home">www.ca.wackerneuson.com/en/home</a>
Winstone Aggregates	Aggregate supplier	<a href="http://www.winstoneaggregates.co.nz">www.winstoneaggregates.co.nz</a>
Youngman Richardson & Co	Construction supplier	<a href="http://www.ymrc.co.nz">www.ymrc.co.nz</a>

**Civil Contractors NZ's  
major associates  
provide many goods  
and services for your  
business**

### BRANCHES – NUMBERS OF MEMBERS AND ASSOCIATES (Figures as at March 2018)

Branch	Members	Branch Associates	Branch	Members	Branch Associates
Northland	21	6	Manawatu	13	3
Auckland	77	41	Wanganui	5	3
Bay of Plenty	18	7	Wellington/Wairarapa	33	15
Waikato	25	14	Nelson/Marlborough	31	13
Hawkes Bay	20	9	Canterbury	71	33
Gisborne	4	3	Otago	26	12
Taranaki	8	13	Southland	17	7

## Contractor members 2017-2018

### \$0 – \$1 million

Able Trucking  
AC Palmer & Sons  
Acon Industries 2015  
AcreWorkz  
Alex Field  
Alpha Specialised Movers  
Apes Contracting  
Armitage Contracting  
Artisan Paving  
ATD Services  
B Pull & Sons  
BACESYS  
Base Excavations  
Beeby Contracting  
Billington Transport  
Blackwood Contracting  
Blair Excavation  
Blake Civil Construction  
Blenkiron Bros  
Bowe Brothers Excavating  
Brian Hoffmann  
Bull Earthworx  
Byfords Construction 2014  
C W Drilling & Investigation  
Cape Mowing  
Carran Scott Contracting Co  
Chris Gommans Contracting  
Cloutman Brothers Mining & Dredging  
Complete Site Solutions  
Contrax (Central)  
Crooks Contracting  
Crowley Excavators  
Currie Bros  
DA McNeil  
Daniel Renshaw Drainage Contractor  
Dempseys Bobcat Services  
Denis Wheeler Earthmoving  
Diggerman  
Dirtpro  
DITRAC  
Dodge Contracting  
Doug Hood Mining  
Doug Symons Contracting  
Drum Holdings  
Duane Whiting Contractors  
Duncan Earthworks  
Earth Stability  
Fox Earthmovers  
Franz Hire & Contracting  
Galbraith Earthmovers  
Geoff Jukes Contracting  
Graffiti Doctor NZ  
Greenstone Concrete & Asphalt  
Greenworx  
Greg Inch Earthmoving  
Halverson Civil  
Hatuma Lime Contracts  
Hauraki Construction  
HGM Construction  
Hollands Excavation  
Its Earthmoving  
Jack Thorburn Builders  
Jacksco Civil  
Jamieson Earthworks  
Jensen Contracting & Drilling  
JK Construction  
John Bayliss & Co  
John Fletcher Contracting  
John Leathwick  
John Shepherd Contracting  
JR Works Group  
K & B Reed Contractors  
Keene Krib 2000  
Kerepehi Transport  
Kevin G Grant Contracting  
KEV's Concrete Cutting  
Kreisel Contracting (1988)  
Lanco Ex  
Luke Glamuzina Contractors  
Mangonui Contracting (2015)  
McCready Engineering  
McDonald Contracting & Construction  
McEwan Haulage  
Monk Earthworks  
Moore Construction  
Mora Earthmoving  
MRT Construction  
Mules Construction  
Murray Weston  
Newman Excavations  
Nick Evans Contractors  
Nick Vanderley Contracting  
Northland Mobile Crushing  
Northland Transport  
P & N Siteworks  
P & T Contractors  
Partridge Contracting  
Paul McDonald Earthmoving  
Paul Smith Earthmoving and Civil  
Paul White  
Petco Contracts  
PR Leslie Contracting  
Pro Arbore  
Project One Construction  
Rae Asphalts  
Ranui Construction  
Ritchie Civil  
Robert J Mitchell Contractors  
Roberts Contracting  
Rossco Bobcats  
Roxburgh Excavation  
Rusbach Bros  
SAL Civil Works  
Santo Drainage & Contracting  
Scarlett Contracting  
Shane Gribbon  
Shaw Asphalters  
Steven Tidswell Contractors  
Storm Waters Contracting  
Swale Earthmovers  
TCD 2015  
Tony Oliver Earthworks  
TPP Contracting  
Traffic Safe New Zealand  
Troon Civil  
Twoman Structures  
Utilities Infrastructure NZ  
Wainwright & Co Stonemasons  
Weka Earthmoving  
Welshy Digger Hire  
Wilson & Keen Contracting  
WS & JF Heine Partnership





## Contractor members 2017-2018

### \$1 – \$2 million

A G Hoffman	EPL Construction	Morris & Bailey
Aidan Kelly Contracting	Fahey Contracting	North Drill
ARC Projects	Forte Civil	Not Just Concrete
Bailey Civil	Graham Contractors	On Track Earthmoving
Bastion	Greg Donaldson Contracting	Ontrak Earthworx
Bay Civil	GT Liddell Contracting	Paraparaumu Engineering
Bridge It NZ	Harliwich Holdings	Peter Turner Contracting
Bryce O'Sullivan Contracting	Horokiwi Paving	Pipeline & Infrastructure
Cameron Contracting 2002	Hoult Contractors	Red Contracting
Cargill Contracting	Huband Contractors	RJ Civil Construction
Central Western Roding	JC Contracting NZ	Rock Control
CHB Earthmovers	John Roy Contracting	Sollys Freight (1978)
Colin Amrein Contracting	Johnstone & Masters	South East Earthworks
Concrete & Metals	Johnstone Construction	Subsurface Drilling
Construct Civil	Jones Contracting Queenstown	Tasman Civil
Contour Asphalts	Kernohan Contractors	WA Boyes Contracting
Crom-Dig	Loveridge	Warner Construction
DNS Civil Group	M W Lissette	Wilson Contracting
Earthwork Solutions	Mason Quality Excavation	Wilson Earthmoving
Epic 360	Mecland Roding	XTREME Contracting

### \$2 – \$4 million

Action Civil	Emmetts Civil Construction	Linton Contracting
Advanced Siteworks	EN Ramsbottom	Mac Developments
All About Construction	Francis Ward	Mackenzie Civil
Allens United Drainage & Earthworks	Fuel Installations Auckland	Maxbuild
Andrew Haulage 2011	Geovert	McDonough Contracting
Atlas Group	Giles Civil	McKenzie Earthmoving
Austin Asphalt	Gill Construction Co	Mike Edridge Contracting
B Bullock (2009)	Goodrick Contracting	Morepork Trenching
Baldwin Asphalts	GP Friel	MWN Civil
Bassett Plumbing & Drainage	Graham Harris (2000)	Nelson Civil Construction
Brian James Contracting	Grant Hood Contracting	Opie Contractors 2014
Burnside Contractors	Groundfix	PCL Contracting
C & A Cox	Grouting Services NZ	RA Shearing Contractors
Central Southland Excavating	H & H Contractors	Roding and Building Cartage
Chambers & Jackett	Hawkes Bay Regional Council's Works Group	Ryan Contractors
City Pavements	HES Earth Moving	Siteworx Northland
CJ Industries	Hickey Contractors	Skevington Contracting
Clements Contractors	Independent Kerb & Concrete (2004)	Southeys Group
Concrete Treatments NZ	JD & IS Bates	Stuart Tarbotton Contractors
Darlington Drilling & Piling	Jolly Earthworks	TC Nicholls
Delta Contracting	Juno Civil	TCD Civil Construction
Donovan Drainage & Earthmoving	JW Neill Contractors	TeAnau Earthworks
Drapers Earthmoving	Kerry Drainage	Thelein Construction
E Carson & Sons	King Drilling Company	Tracks Concrete (2002)

# Contractor members 2017-2018

## \$4 – \$6 million

Advanced Excavating  
Base Contracting  
Blackley Construction  
Bryant Earthworks  
CDS New Zealand  
Ching Contracting  
Construction Contracts  
Dews Construction  
Faulks Investments  
Gair Contracting  
Gibbons Contractors

Hamilton Asphalts  
Hunter Civil  
InterGroup  
Jesmond Construction  
JG Civil  
Maungatua Contracting (Wanaka)  
Pidgeon Contracting  
Protranz Earthmoving  
Rapid Earthworks  
Robinson Asphalts 1992  
Rohit's Civil & Infrastructure

Russell Roads  
Splice Construction  
Springs Road Quarry  
Storer Contracting  
Technix Bitumen Technologies  
Tenga Pickering Contractors  
Tirau Earthmovers  
Trademark Paving  
Troy Wheeler Contracting

## \$6 – \$10 million

Bob Hick Earthmoving  
BWC  
CB Civil & Drainage  
Christchurch Ready Mix Concrete  
CLL Service & Solutions  
Connell Contractors  
Crafar Crouch Construction  
Donaldson Civil  
Dormer Construction  
Evergreen Landcare  
Gleeson Civil

Hibiscus Contractors  
ID Loader  
J & R Contracting  
Jason Mather Construction  
Maugers Contracting  
McKenzie & Parma  
Multi Civil Contractors  
Nelmac  
Nelson Underground Services  
Petrotec Services  
Sayer Drainage

Seay Earthmovers  
Seipp Construction  
Smythe Contractors  
Spiral Drillers Civil  
Steve Bowling Contracting  
TDM Construction  
The Roding Company  
Underground Brown  
Vuksich & Borich (NZ)  
Wharehine Construction  
Wilson Contractors (2003)

## \$10 – \$25 million

Ashburton Contracting  
BG Contracting  
Blakely Construction  
Civil Construction  
Connect 8  
Construction Techniques  
Hiway Stabilizers NZ  
Hopper Construction  
ICB Retaining and Construction  
Inframax Construction

J Swap Contractors  
JCL Asphalt  
Kidd Contracting  
March Construction  
Mills Albert  
Nikau Contractors  
Quality Roding Services  
Schick Civil Construction  
Services South East  
Spartan Construction

Taggart Earthmoving  
Taylors Contracting Co  
Texco Excavating & Drilling  
The Plant People (2006)  
Waiau Pa Bulk Haulage  
Waiotahi Contractors  
Westroads  
Whitestone Contracting

## \$25 – \$50 million

Goodman Contractors  
Isaac Construction  
Ross Reid  
SouthRoads  
United Civil Construction

## \$50 – \$100 million

No companies

## \$100 million plus

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



Trenchshoring, Christchurch.



Gayhurst Bridge, part of the Stronger Christchurch Infrastructure Rebuild.



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

**Opinion**

We have audited the consolidated financial statements of Civil Contractors New Zealand Incorporated ("Society") and its subsidiaries (together, "the Group"), which comprise the consolidated balance sheet as at 31 March 2018 and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2018, and its consolidated financial performance and its 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 Consolidated Financial Statements* section of our report. We are independent of the 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 Society or any of its subsidiaries.

**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 consolidated financial statements and our auditor's report thereon.

Our opinion on the 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 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 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 Consolidated Financial Statements**

The directors are responsible on behalf of the Group for the preparation and fair presentation of the 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 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 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the 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 Society'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 Society and the Society's members, as a body, for our audit work, for this report or for the opinions we have formed.

*BDO Wellington Audit Limited*

BDO Wellington Audit Limited  
Wellington  
New Zealand  
3 July 2018

**Statement of comprehensive income**

For the year ended 31 March 2018

	Notes	Group		Parent	
		2018 \$	2017 \$	2018 \$	2017 \$
Revenue	4	3,988,244	4,140,854	2,872,345	3,007,576
Publishing related expenses		(702,111)	(728,702)	-	-
Depreciation	5	(36,867)	(36,923)	(21,911)	(22,623)
Other expenses	5	(3,318,043)	(3,227,158)	(2,916,775)	(2,848,511)
Finance costs - net	6	<u>38,075</u>	<u>35,828</u>	<u>34,766</u>	<u>35,100</u>
(Deficit) / surplus before income tax		(30,702)	183,899	(31,575)	171,542
Income tax expense	7	<u>17,548</u>	<u>5,426</u>	<u>16,030</u>	<u>6,385</u>
<b>Net (deficit) / surplus for the year</b>		<u>(13,154)</u>	<u>189,325</u>	<u>(15,545)</u>	<u>177,927</u>
<b>(Deficit) / surplus is attributable to:</b>					
Equity holders of Civil Contractors New Zealand Incorporated		(13,643)	186,995		
Surplus attributable to non-controlling interest		<u>489</u>	<u>2,330</u>		
		<u>(13,154)</u>	<u>189,325</u>		
<b>Total comprehensive revenue and expenses for the year is attributable to:</b>					
Equity holders of Civil Contractors New Zealand Incorporated		(13,643)	186,995		
Surplus attributable to non-controlling interest		<u>489</u>	<u>2,330</u>		
		<u>(13,154)</u>	<u>189,325</u>		

For and on behalf of the Board.



President

Date: 3/7/2018



Chief Executive Officer

Date: 3/7/2018

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





**Civil Contractors New Zealand Incorporated  
Statements of changes in equity  
For the year ended 31 March 2018**

**Statements of changes in equity  
For the year ended 31 March 2018**

Group	Reserves	Retained earnings	Non-controlling interest	Total equity
	\$	\$	\$	\$
<b>Balance at 1 April 2016</b>	417,584	1,843,189	26,178	2,286,951
Surplus for the year	-	186,995	2,330	189,325
<b>Balance as at 31 March 2017</b>	<u>417,584</u>	<u>2,030,184</u>	<u>28,508</u>	<u>2,476,276</u>
<b>Balance at 1 April 2017</b>	417,584	2,030,184	28,508	2,476,276
Surplus for the year	-	(13,643)	489	(13,154)
<b>Balance as at 31 March 2018</b>	<u>417,584</u>	<u>2,016,541</u>	<u>28,997</u>	<u>2,463,122</u>

Parent	Reserves	Retained earnings	Total equity
	\$	\$	\$
<b>Balance at 1 April 2016</b>	417,584	1,716,230	2,133,814
Surplus for the year	-	177,927	177,927
<b>Balance as at 31 March 2017</b>	<u>417,584</u>	<u>1,894,157</u>	<u>2,311,741</u>
<b>Balance as at 1 April 2017</b>	417,584	1,894,157	2,311,741
Deficit for the year	-	(15,545)	(15,545)
<b>Balance as at 31 March 2018</b>	<u>417,584</u>	<u>1,878,612</u>	<u>2,296,196</u>

Notes	Group		Parent	
	2018 \$	2017 \$	2018 \$	2017 \$
Total recognised income and expense for the year is attributable to:				
Members of Civil Contractors New Zealand Incorporated	15	(13,643)	186,995	(15,545)
Non controlling interest		489	2,330	-
		<u>(13,154)</u>	<u>189,325</u>	<u>(15,545)</u>
			<u>177,927</u>	<u>177,927</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 2018

**Balance sheet**

As at 31 March 2018

	Notes	Group		Parent	
		2018 \$	2017 \$	2018 \$	2017 \$
<b>ASSETS</b>					
Cash and cash equivalents	8	847,487	788,034	682,383	594,930
Trade and other receivables from exchange transactions	9	419,939	362,723	379,387	415,516
Inventories		1,871	5,520	1,871	5,520
Current tax receivables		30,170	28,443	28,371	27,366
Term deposits		856,063	858,695	776,063	742,463
Capital works		20,009	20,009	20,009	20,009
<b>Total current assets</b>		<b>2,175,539</b>	<b>2,063,424</b>	<b>1,888,084</b>	<b>1,805,804</b>
<b>Non current assets</b>					
Property, plant and equipment	10	974,840	994,838	952,900	967,931
Intangible assets	12	42,423	28,682	22,423	8,682
Other investments		-	-	15,000	15,000
Deferred tax asset	11	6,031	-	-	-
<b>Total non-current assets</b>		<b>1,023,294</b>	<b>1,023,520</b>	<b>990,323</b>	<b>991,613</b>
<b>Total assets</b>		<b>3,198,833</b>	<b>3,086,944</b>	<b>2,878,407</b>	<b>2,797,417</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	13	500,367	470,811	366,304	357,541
Income in advance		235,344	128,198	215,907	112,105
<b>Total current liabilities</b>		<b>735,711</b>	<b>599,009</b>	<b>582,211</b>	<b>469,646</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities	11	-	11,659	-	16,030
<b>Total non-current liabilities</b>		<b>-</b>	<b>11,659</b>	<b>-</b>	<b>16,030</b>
<b>Total liabilities</b>		<b>735,711</b>	<b>610,668</b>	<b>582,211</b>	<b>485,676</b>
<b>Net assets</b>		<b>2,463,122</b>	<b>2,476,276</b>	<b>2,296,196</b>	<b>2,311,741</b>
<b>EQUITY</b>					
Reserves	14(a)	417,584	417,584	417,584	417,584
Retained earnings	14(b)	2,016,541	2,030,184	1,878,612	1,894,157
		<b>2,434,125</b>	<b>2,447,768</b>	<b>2,296,196</b>	<b>2,311,741</b>
Non-controlling interest		28,997	28,508	-	-
<b>Total equity</b>		<b>2,463,122</b>	<b>2,476,276</b>	<b>2,296,196</b>	<b>2,311,741</b>

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



**Civil Contractors New Zealand Incorporated**  
**Statements of cash flows**  
**For the year ended 31 March 2018**

**Statements of cash flows**

For the year ended 31 March 2018

	Notes	Group		Parent	
		2018 \$	2017 \$	2018 \$	2017 \$
<b>Cash flows from operating activities</b>					
Receipts from customers		4,008,912	4,140,735	2,982,422	2,975,082
Payments to suppliers and employees		<u>(3,966,321)</u>	<u>(4,014,236)</u>	<u>(2,874,730)</u>	<u>(2,899,759)</u>
		<u>42,591</u>	<u>126,499</u>	<u>107,692</u>	<u>75,323</u>
Interest received		38,075	35,828	34,766	35,100
Income taxes paid		(1,869)	(6,018)	(1,005)	(7,586)
Net GST received/(paid)		<u>11,827</u>	<u>(24,279)</u>	<u>3,413</u>	<u>(19,182)</u>
<b>Net cash inflow from operating activities</b>		<u>90,624</u>	<u>132,030</u>	<u>144,866</u>	<u>83,655</u>
<b>Cash flows from investing activities</b>					
Payments for property, plant and equipment		(20,062)	(22,685)	(10,072)	(8,913)
Payments for purchase of investments		-	(136,481)	(33,600)	(73,182)
Proceeds from sale of investments		2,632	-	-	52,933
Payments for intangible assets		<u>(13,741)</u>	<u>-</u>	<u>(13,741)</u>	<u>-</u>
<b>Net cash inflow / (outflow) from investing activities</b>		<u>(31,171)</u>	<u>(159,166)</u>	<u>(57,413)</u>	<u>(29,162)</u>
<b>Net increase in cash and cash equivalents</b>		<b>59,453</b>	<b>(27,136)</b>	<b>87,453</b>	<b>54,493</b>
Cash and cash equivalents at the beginning of the financial year		<u>788,034</u>	<u>815,170</u>	<u>594,930</u>	<u>540,437</u>
<b>Cash and cash equivalents at end of year</b>	8	<u>847,487</u>	<u>788,034</u>	<u>682,383</u>	<u>594,930</u>

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.

#### *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.

**Civil Contractors New Zealand Incorporated**  
**Notes to the financial statements**  
**For the year ended 31 March 2018**  
(continued)**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.

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

The profit and loss component of the statements 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***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.

*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.

**(i) Investments and other financial assets**

Investments in subsidiaries are stated at cost less impairment in the balance sheet of the Parent. Other investments are stated at the lower of cost or net realisable value.

**(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.

## **1 Summary of significant accounting policies (continued)**

### **(j) Property, plant and equipment (continued)**

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.

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 lives.

### **(l) Comparative balances**

Certain comparative amounts of cash & cash equivalents have been reclassified as term deposits.

### **(m) 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.



**Civil Contractors New Zealand Incorporated**  
**Notes to the financial statements**  
**For the year ended 31 March 2018**  
 (continued)

## 2 Critical accounting estimates and judgements

### (a) 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.

(i) *Deferred tax asset on carried forward tax losses.*

The Group and Parent have incurred tax losses of \$126,178 over the last 2 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 balance of \$11,078 in relation to unused tax losses, see note 7.

## 3 Financial instruments

### Financial instruments by category

	Group		Parent	
	2018 \$	2017 \$	2018 \$	2017 \$
<b>Financial assets as per balance sheet</b>				
Cash and cash equivalents	847,487	788,034	682,383	594,930
Trade and other receivables	325,717	236,265	282,516	285,142
Other investments	856,063	858,695	791,063	757,463
	<u>2,029,267</u>	<u>1,882,994</u>	<u>1,755,962</u>	<u>1,637,535</u>
<b>Financial liabilities</b>				
Trade and other payables	399,781	337,105	295,395	246,539
	<u>399,781</u>	<u>337,105</u>	<u>295,395</u>	<u>246,539</u>

Prepayments and GST receivable do not meet the definition of a financial asset and have been excluded from the above table.

Employee entitlements, income in advance and GST payable do not meet the definition of a financial liability and have been excluded from the above table.

To ensure consistency with the current year, comparative figures have been reclassified where appropriate.

## 4 Revenue

	Group		Parent	
	2018 \$	2017 \$	2018 \$	2017 \$
Services	930,369	1,064,643	634,697	770,955
NEOC income	97,211	119,431	97,211	119,431
Sponsorship	132,058	156,657	132,058	156,657
Subscriptions income	1,465,142	1,423,345	1,465,142	1,423,345
Functions income	494,478	478,267	494,478	478,267
Awards income	29,471	42,052	29,471	42,052
Advertising income	819,709	839,079	-	-
Trade certification income	-	3,366	-	3,366
Sundry income	19,288	13,511	19,288	13,503
Dividends	518	503	-	-
	<u>3,988,244</u>	<u>4,140,854</u>	<u>2,872,345</u>	<u>3,007,576</u>

## 5 Expenses

	Group		Parent	
	2018	2017	2018	2017
	\$	\$	\$	\$
<i>Depreciation</i>				
Land and buildings	8,363	9,324	8,363	9,324
Fixtures and fittings and office equipment	20,779	19,871	5,823	5,571
Computer equipment	7,725	7,728	7,725	7,728
Total depreciation	<u>36,867</u>	<u>36,923</u>	<u>21,911</u>	<u>22,623</u>
<i>Sundry expenses</i>				
Accident compensation levy	2,851	2,762	1,698	1,603
Accounting fees	65,896	70,556	49,408	56,302
Advertising & promotion	13,164	23,870	24,222	20,655
Audit fees	40,603	35,606	33,607	28,606
Award costs	34,014	22,693	44,514	32,693
Bad debts	19,313	21,272	19,313	21,272
Bank fees & interest	3,634	3,427	2,137	1,649
Careers promotion	130,642	-	130,642	-
CEO expenses	25,623	17,397	25,623	17,397
Conference expenses	440,606	553,915	440,606	557,675
Contrafed subscriptions	-	-	45,377	45,047
Council costs	34,499	40,799	34,499	40,799
Entertainment	4,882	3,967	-	-
Fringe benefit tax	5,621	6,745	5,621	6,745
Functions	448,757	463,669	448,757	463,669
General expenses	47,686	46,947	34,151	19,099
Hire of plant & equipment	6,512	11,338	-	-
Industry liaison	11,185	17,446	11,185	17,446
Industry projects	7,086	13,253	7,086	13,253
Insurance	25,895	23,977	19,167	17,073
IT costs	23,999	16,708	8,008	3,838
Legal & consulting fees	62,758	22,055	41,250	18,147
N3 Benefits Purchases	25,000	20,000	25,000	20,000
NEOC expenses	113,531	102,720	113,531	103,470
Office equipment & maintenance	31,977	28,872	25,878	22,863
Postage & couriers	5,985	11,080	5,985	11,080
Power & utilities	32,106	32,064	29,444	29,290
Printing & stationery	27,106	30,028	22,113	23,061
Public relations	14,631	5,812	19,831	11,692
Publication costs	14,238	19,860	26,738	32,360
QEST expenses	-	1,260	-	1,260
Regional manager expenses	114,624	78,032	114,624	78,032
Rent	36,400	35,447	-	-
Roadshow expenses	17,967	42,504	17,967	42,504
Salaries	1,198,862	1,219,037	909,975	944,496
Sponsorship	13,877	7,016	13,877	7,016
Staff training & recruitment	19,014	6,881	17,851	5,677
Subscriptions	30,873	25,092	22,635	16,974
Telephone & internet	22,761	21,652	14,465	12,675
Trade certification expenses	5,081	1,508	5,081	1,508
Travel & accomodation	115,960	115,432	101,082	97,126
Website maintenance	22,827	4,459	3,831	4,459
	<u>3,318,043</u>	<u>3,227,158</u>	<u>2,916,775</u>	<u>2,848,511</u>





**Civil Contractors New Zealand Incorporated**  
**Notes to the financial statements**  
**For the year ended 31 March 2018**  
(continued)

**6 Finance costs - net**

	Group		Parent	
	2018	2017	2018	2017
	\$	\$	\$	\$
<b>Finance income</b>				
Interest	<u>(38,075)</u>	<u>(35,828)</u>	<u>(34,766)</u>	<u>(35,100)</u>
Total finance income	<u>(38,075)</u>	<u>(35,828)</u>	<u>(34,766)</u>	<u>(35,100)</u>
Net finance costs	<u>(38,075)</u>	<u>(35,828)</u>	<u>(34,766)</u>	<u>(35,100)</u>

**7 Income tax expense**

	Group		Parent	
	2018	2017	2018	2017
	\$	\$	\$	\$
<b>(a) Income tax expense</b>				
Current tax	142	141	-	-
Deferred tax	<u>(17,690)</u>	<u>(5,567)</u>	<u>(16,030)</u>	<u>(6,385)</u>
<b>Income tax expense</b>	<u>(17,548)</u>	<u>(5,426)</u>	<u>(16,030)</u>	<u>(6,385)</u>
<b>(b) Numerical reconciliation of income tax expense to prima facie tax payable</b>				
Surplus before income tax expense	<u>(30,702)</u>	<u>183,899</u>	<u>(31,575)</u>	<u>171,542</u>
Income tax at 28%	<u>(8,597)</u>	<u>51,492</u>	<u>(8,841)</u>	<u>48,032</u>
Less tax effect of permanent differences				
Non assessable income and expenses	<u>(20,029)</u>	<u>(56,918)</u>	<u>(18,267)</u>	<u>(54,417)</u>
Unused tax losses for which no deferred tax asset has been recognised	<u>11,078</u>	<u>-</u>	<u>11,078</u>	<u>-</u>
<b>Income tax expense</b>	<u>(17,548)</u>	<u>(5,426)</u>	<u>(16,030)</u>	<u>(6,385)</u>
<b>(c) Unrecognised deferred tax balances</b>				
Unused tax losses for which no deferred tax asset has been recognised	<u>11,078</u>	<u>-</u>	<u>11,078</u>	<u>-</u>
<b>Unrecognised deferred tax balances</b>	<u>11,078</u>	<u>-</u>	<u>11,078</u>	<u>-</u>

**8 Cash and cash equivalents**

	Group		Parent	
	2018	2017	2018	2017
	\$	\$	\$	\$
Bank balances	<u>847,372</u>	<u>787,780</u>	<u>682,383</u>	<u>594,930</u>
Petty cash	<u>115</u>	<u>254</u>	<u>-</u>	<u>-</u>
	<u>847,487</u>	<u>788,034</u>	<u>682,383</u>	<u>594,930</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	
		2018 \$	2017 \$	2018 \$	2017 \$
Trade receivables		312,823	216,429	141,971	87,655
Related party receivables	19	-	-	127,651	177,651
Prepayments		94,222	126,458	86,461	116,551
Accrued income		12,894	19,836	12,894	19,836
GST receivable		-	-	10,410	13,823
		<u>419,939</u>	<u>362,723</u>	<u>379,387</u>	<u>415,516</u>

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

As at 31 March 2018, no receivables were impaired (2017: nil).

## 10 Property, plant and equipment

Group	Land and buildings \$	Fixtures and fittings and office equipment \$	Computer equipment \$	Total \$
<b>At 1 April 2016</b>				
Cost	1,053,333	332,831	263,691	1,649,855
Accumulated depreciation	(115,536)	(283,730)	(249,137)	(648,403)
Net book amount	<u>937,797</u>	<u>49,101</u>	<u>14,554</u>	<u>1,001,452</u>
<b>At 31 March 2017</b>				
Cost	1,053,333	343,385	274,012	1,670,730
Accumulated depreciation	(124,071)	(291,717)	(260,104)	(675,892)
Net book amount	<u>929,262</u>	<u>51,668</u>	<u>13,908</u>	<u>994,838</u>
<b>Year ended 31 March 2018</b>				
Opening net book amount	929,262	51,668	13,908	994,838
Additions	-	13,765	6,297	20,062
Disposals	-	(1,491)	(1,702)	(3,193)
Depreciation charge (note 5)	(8,363)	(20,779)	(7,725)	(36,867)
Closing net book amount	<u>920,899</u>	<u>43,163</u>	<u>10,778</u>	<u>974,840</u>
<b>At 31 March 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>



**Civil Contractors New Zealand Incorporated**  
**Notes to the financial statements**  
**For the year ended 31 March 2018**  
(continued)

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

Parent	Land and buildings \$	Fixtures and fittings and office equipment \$	Computer equipment \$	Total \$
<b>At 1 April 2016</b>				
Cost	1,053,333	227,533	263,691	1,544,557
Accumulated depreciation	<u>(115,536)</u>	<u>(205,634)</u>	<u>(249,137)</u>	<u>(570,307)</u>
Net book amount	<u>937,797</u>	<u>21,899</u>	<u>14,554</u>	<u>974,250</u>
<b>At 31 March 2017</b>				
Cost	1,053,333	239,045	274,012	1,566,390
Accumulated depreciation	<u>(124,071)</u>	<u>(214,284)</u>	<u>(260,104)</u>	<u>(598,459)</u>
Net book amount	<u>929,262</u>	<u>24,761</u>	<u>13,908</u>	<u>967,931</u>
<b>Year ended 31 March 2018</b>				
Opening net book amount	929,262	24,761	13,908	967,931
Additions	-	3,775	6,297	10,072
Disposals	-	(1,491)	(1,702)	(3,192)
Depreciation charge (note 5)	<u>(8,363)</u>	<u>(5,823)</u>	<u>(7,725)</u>	<u>(21,911)</u>
Closing net book amount	<u>920,899</u>	<u>21,223</u>	<u>10,778</u>	<u>952,900</u>
<b>At 31 March 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>

**11 Deferred tax assets/liabilities**

	Group		Parent	
	2018 \$	2017 \$	2018 \$	2017 \$
<b>The balance comprises temporary differences attributable to:</b>				
Plant and equipment	<u>31,267</u>	<u>30,441</u>	<u>31,267</u>	<u>30,441</u>
Total deferred tax liabilities	<u>31,267</u>	<u>30,441</u>	<u>31,267</u>	<u>30,441</u>
Set-off of deferred tax liabilities pursuant to set-off provisions	<u>(37,298)</u>	<u>(18,782)</u>	<u>(31,267)</u>	<u>(14,411)</u>
Net deferred tax (assets)/liabilities	<u>(6,031)</u>	<u>11,659</u>	<u>-</u>	<u>16,030</u>
<b>Movements - Group</b>				
	<b>Property, plant and equipment \$</b>	<b>Provisions \$</b>	<b>Other \$</b>	<b>Total \$</b>
<b>At 1 April 2016</b>	31,062	(13,836)	-	17,226
Charged/(credited) to the statement of comprehensive income	<u>(621)</u>	<u>1,028</u>	<u>(5,974)</u>	<u>(5,567)</u>
<b>At 31 March 2017</b>	<u>30,441</u>	<u>(12,808)</u>	<u>(5,974)</u>	<u>11,659</u>
<b>At 1 April 2017</b>	30,441	(12,808)	(5,974)	11,659
Charged/(credited) to the statement of comprehensive income	<u>826</u>	<u>(236)</u>	<u>(18,280)</u>	<u>(17,690)</u>
<b>At 31 March 2018</b>	<u>31,267</u>	<u>(13,044)</u>	<u>(24,254)</u>	<u>(6,031)</u>
<b>Movements - Parent</b>				
	<b>Property, plant and equipment \$</b>	<b>Provisions \$</b>	<b>Other \$</b>	<b>Total \$</b>
<b>At 1 April 2016</b>	31,062	(8,647)	-	22,415
Charged/(credited) to the statement of comprehensive income	<u>(621)</u>	<u>210</u>	<u>(5,974)</u>	<u>(6,385)</u>
<b>At 31 March 2017</b>	<u>30,441</u>	<u>(8,437)</u>	<u>(5,974)</u>	<u>16,030</u>
<b>At 1 April 2017</b>	30,441	(8,437)	(5,974)	16,030
Charged/(credited) to the statement of comprehensive income	<u>826</u>	<u>1,424</u>	<u>(18,280)</u>	<u>(16,030)</u>
<b>At 31 March 2018</b>	<u>31,267</u>	<u>(7,013)</u>	<u>(24,254)</u>	<u>-</u>



**Civil Contractors New Zealand Incorporated**  
**Notes to the financial statements**  
**For the year ended 31 March 2018**  
(continued)

**12 Intangible assets**

Group	Patents and other rights \$	Trademark \$	Total \$		
<b>At 1 April 2016</b>					
Cost	22,892	8,682	31,574		
Accumulated amortisation and impairment	(2,659)	-	(2,659)		
Net book amount	<u>20,233</u>	<u>8,682</u>	<u>28,915</u>		
<b>At 31 March 2017</b>					
Cost	22,892	8,682	31,574		
Accumulated amortisation and impairment	(2,892)	-	(2,892)		
Net book amount	<u>20,000</u>	<u>8,682</u>	<u>28,682</u>		
	Patents and other rights \$	Trademark \$	Website \$	Total \$	
<b>Year ended 31 March 2018</b>					
Opening net book amount	20,000	8,682	-	28,682	
Additions	-	5,541	8,200	13,741	
Closing net book amount	<u>20,000</u>	<u>14,223</u>	<u>8,200</u>	<u>42,423</u>	
<b>At 31 March 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>Parent</b>				Trademark \$	Total \$
<b>At 1 April 2016</b>					
Cost			8,682	8,682	
Accumulated amortisation and impairment			-	-	
Net book amount			<u>8,682</u>	<u>8,682</u>	
<b>At 31 March 2017</b>					
Cost			8,682	8,682	
Accumulated amortisation and impairment			-	-	
Net book amount			<u>8,682</u>	<u>8,682</u>	
	Trademark \$	Website \$	Total \$		
<b>Year ended 31 March 2018</b>					
Opening net book amount	8,682	-	8,682		
Additions	5,541	8,200	13,741		
Closing net book amount	<u>14,223</u>	<u>8,200</u>	<u>22,423</u>		
<b>At 31 March 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>		

No amortisation has been included in depreciation and amortisation expense in the Group Statement of comprehensive income (2017: \$nil)

### 13 Trade and other payables

	Group		Parent	
	2018 \$	2017 \$	2018 \$	2017 \$
Trade payables	299,527	245,283	221,499	171,936
Employee entitlements	86,314	130,586	70,909	111,002
Accrued expenses	93,220	84,481	69,095	69,482
GST payable	14,272	3,120	-	-
Credit cards	7,034	7,341	4,801	5,121
	<u>500,367</u>	<u>470,811</u>	<u>366,304</u>	<u>357,541</u>

### 14 Reserves and retained earnings

	Group		Parent	
	2018 \$	2017 \$	2018 \$	2017 \$
<b>(a) Reserves</b>				
Property, plant and equipment revaluation reserve	417,584	417,584	417,584	417,584
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	
	2018 \$	2017 \$	2018 \$	2017 \$
Balance at 1 April	2,030,184	1,843,189	1,894,157	1,716,230
Net (loss) / profit for the year	(13,643)	186,995	(15,545)	177,927
Balance at 31 March	<u>2,016,541</u>	<u>2,030,184</u>	<u>1,878,612</u>	<u>1,894,157</u>



**Civil Contractors New Zealand Incorporated**  
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**For the year ended 31 March 2018**  
 (continued)

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

	2018 \$	2017 \$
<b>National Office</b>		
Surplus before branch levies	104,868	278,635
Branch levies	<u>(129,485)</u>	<u>(125,045)</u>
National office surplus for the year	(24,617)	153,590
<b>Branches</b>		
Northland	12,342	(1,397)
Hawkes Bay	1,527	(5,025)
Southland	4,445	2,270
Wellington/Wairarapa	(10,487)	5,366
Nelson/Marlborough	3,232	2,260
Auckland	2,816	4,109
Taranaki	(1,847)	2,034
Otago	1,803	10,170
Wanganui	(1,099)	654
Canterbury	(7,356)	22,431
Bay of Plenty	2,481	(197)
Waikato	(3,683)	(19,441)
Manawatu	(10,815)	189
Gisborne	<u>(317)</u>	<u>(5,471)</u>
Total branches surplus for the year	(6,958)	17,952
Income tax benefit	16,030	6,385
<b>Parent surplus for the year</b>	<u>(15,545)</u>	177,927
<b>Subsidiaries</b>		
Contrafed Publishing Co Limited	2,391	11,398
Total subsidiaries surplus	<u>2,391</u>	11,398
Net effect of group consolidation entries	<u>(489)</u>	<u>(2,330)</u>
<b>Group members surplus for the year</b>	<u>(13,643)</u>	<u>186,995</u>

**16 Contingencies**

As at 31 March 2018 Civil Contractors New Zealand Incorporated, 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 (2017: \$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	
	2018 \$	2017 \$	2018 \$	2017 \$
Within one year	57,504	51,657	27,462	18,117
After one year but not more than five years	35,038	62,526	23,697	17,806
Total	<u>92,542</u>	<u>114,183</u>	<u>51,159</u>	<u>35,923</u>

## 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	
		2018 %	2017 %
Contrafed Publishing Co Limited	Publishing company	79.55	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:

	2018	2017
Total remuneration	\$475,996	\$530,924
Number of FTE	3	3

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 2018 were \$21,536 (2017: \$662).

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

Civil Contractors New Zealand Incorporated owns 21,400 shares in Contrafed Publishing Co Limited (2017: 21,400). During the 2018 financial year Civil Contractors New Zealand Incorporated purchased subscriptions of \$45,377 (2017: \$45,047), advertising services of \$21,130 (2017: \$14,440) and publication services of \$23,000 (2017: \$32,890) from Contrafed Publishing Co Limited. Civil Contractors New Zealand Incorporated has advanced \$127,651 to Contrafed Publishing Co Limited (2017: \$177,651). The advance is interest free and repayable on demand.





**Civil Contractors New Zealand Incorporated**  
**Notes to the financial statements**  
**For the year ended 31 March 2018**  
(continued)

### **19 Related parties (continued)**

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. 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.

Civil Contractors New Zealand Incorporated has provided a guarantee over the premises leased by Contrafed Publishing Co Limited. The guarantee provides that Civil Contractors New Zealand Incorporated is joint and severally liable for the terms of the agreements. The annual rent of the premises is \$35,447 (2017: \$35,447)

### **20 Events occurring after the reporting period**

No events occurred after balance date (2017: Nil).







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