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Cover: City Rail Link works under the Auckland Central Post Office by Downer Soletanche Bachy Joint Venture This page: JCL Asphalt's mighty 'Optimus Prime' working on a paving project near Christchurch Back cover: An Ormsby Civil Construction field worker putting in the hard yards doing subsoils in the Waikato region

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



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1804 Downe

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

www.civilcontractors.co.nz





# PRESIDENT'S REPORT 2022 - 2023

The past few years have seen no small number of crises which have impacted us all, from pandemic to flood response. To begin with, I want to acknowledge the amazing things our industry has accomplished through the recent severe weather events, and the outstanding way our members have pulled together to respond and help our communities to recover.

The industry is seeing major client-driven reforms on many fronts. This time last year, we had major things on the horizon, including an election and significant reforms to how water services are delivered in New Zealand. Now, these things are here, along with the need to rebuild the country's roads, water networks and private properties after significant damage from severe weather events at a time when there was already massive underfunding.

The approach of the CCNZ Executive Council is to understand these coming issues and come up with a strategy to address them as an industry. To do this, we work through the CCNZ Strategic Plan, which sets the basis of how this organisation works.

An example of this is workforce development – it's something we have pushed as a council under the current Strategic Plan. As a result, we now have a Workforce Development Manager, working to address and overcome the challenges the industry faces in developing a skilled civil construction workforce, and to build our Civil Trades certification system.

In proposing a revised Strategic Plan, to be approved at this year's Annual General Meeting, we are looking to future issues, such as sustainability.

Complex changes such as sustainability can be a struggle to interpret for a large business, let alone a small one, especially when there is a lot of talk about the ideas and expectations and very little consistency about how they can be put into practice.

Yet there are some parallels with past challenges we have tackled and overcome. I remember being in a small family civil construction business for the health and safety changes following the introduction of the *Health and Safety at Work Act 2015.* Initially there was a lot of work added as each client came up with their own interpretation of the legislation before, eventually, industry accepted practices became established.

CCNZ has a real role to play here, by providing a good forum for how changes can be practical, and how sound

and consistent industry guidance and best practice can be put in place. I think the key will be recognition of our environmental impact, and of practical steps we can take to manage it well when we work. We also need to look at how the public and our clients understand the work we do in this space, to make sure that any regulations are fit for purpose.

We are an organisation that is steadily growing, and we have exciting challenges ahead to serve the needs of a larger membership. From an Executive Council perspective, any feedback on what more we can do from members is very helpful. While Executive Council members are elected as representatives of the broad industry, we are always working on the next steps for industry, it's powerful to hear members' visions for what they would like to see.

We are also raising our focus on supporting members to deliver value for their businesses. We have a broad offering of support, including discounts for members, technical guidance, networking opportunities and regular updates on significant changes.

With a prospective change in government, we need to make the changes we want to see clear to lawmakers and likeminded people across the country, so we can ensure politicians recognise the work contractors do, and the support they need to get the job done.

It's all too common for legislators to see that infrastructure is planned, funded and financed, but forget that at some stage it actually gets built. The answer to this is providing a strong voice for industry.

Advocacy is a cornerstone of CCNZ, and Chief Executive Alan Pollard and our team have been making progress in this space, with submissions on water reforms, immigration resource management, fair pay agreements, modern slavery, road user charges, disaster response, and severe weather recovery and resilience.

CCNZ has a small but mighty team, and good regional networks to address the issues contractors face daily. Speaking on behalf of the Executive Council, it is a pleasure and a privilege to represent the country's civil construction industry, and I thank our members for the opportunity to do so.

**Bailey Gair, President** 



# CHIEF EXECUTIVE'S REPORT 2022 - 2023

The year was challenging, moving from pandemic lockdowns the previous year to economic and social consequences of the government's COVID response this year. The industry had to cope with lingering effects of COVID, supply chain issues, government inability to commit to a well-defined and funded work programme, a critical labour shortage and rampant domestic inflation.

The government used its majority position to progress its ideological agenda with limited consultation and oversight (labour reforms, Three Waters, Resource Management), which impacts not just our industry, but society more broadly.

And then, if these challenges weren't enough, Northland, Auckland, Coromandel, Bay of Plenty, Gisborne, East Coast, and Hawke's Bay were hammered by floods and cyclones, devastating communities, and exposing the fragility and vulnerability of our critical infrastructure.

I acknowledge all members who have played a part in the response and recovery work. I live in Hawke's Bay, so have seen first-hand the massive devastation inflicted on our communities. Members became first responders, saving lives, protecting property, and ensuring the safety and stability of affected roads, landscapes, and other infrastructure. All without hesitation and despite being impacted personally. Our communities (and clients) are grateful for the role members have played in the response.

Members have told us the key issues keeping them awake at night are having confidence in a committed and funded programme of work, access to a skilled and reliable workforce, cost pressures, and mental health challenges. These are all areas we have focussed our advocacy work on, but to be frank with varying levels of success. A majority government can push through whatever ideological changes they wish, with little or no oversight or accountability.

We have made good progress in key areas – significant immigration changes including the recognition of civil tradespeople on the Green List; we made high-quality submissions to Government, resulting in some wins – for instance the recognition of 'regionally significant infrastructure' and several important changes to RMA reform proposals following our submissions. We produced detailed research on our workforce and continued progress around raising awareness of the value and meaning of civil construction work and the opportunities on offer through our EPIC career promotion.

We re-negotiated our Principal Business Partner agreement with Hirepool, and our agreement with CablePrice for the Regional and National Excavator Operator Competitions. We received more media interest than ever before from the National Competition.

Membership grew by nine per cent, we reached more people than ever through mature communication channels. Thousands of people attended various CCNZ events at branch and national level. New sub-groups are emerging, such as a new Young Contractors Group. Branch fundraising events have raised significant amounts of money for charity, such as Bay of Plenty and Canterbury golf tournaments that together raised more than \$40,000.

We heard from some members their perception our advocacy work doesn't adequately support small to medium members, or that there is little value from membership for small contractors. I can assure members we strongly promote what is in the best interests of all our members in all our lobbying and advocacy work, regardless of size, location, or specialty. For example, our approach to Waka Kotahi following Cyclone Gabrielle led to meetings on the East Coast specifically for small to medium contractors, to brief them on their plans and the opportunities for those contractors in the future. And for the NZS3910 review, we formed a panel of small, medium, and large contractors to set the direction and inform our submissions.

We need to improve how we communicate all we are achieving on behalf of all members, to give confidence we are effectively representing their interests on matters of material impact. Our revised strategic plan specifically includes support for smaller members as a key strategic outcome.

At the very least, savings members make by accessing discounts offered by our business partners and supporters well exceed our membership subscription fees. But membership offers much more than discounts, and this will become more visible to members in the future. We now have a strong, committed, and capable team focussed on supporting members and executing our strategic plan, as Bailey referenced in her President's Report.

It is a privilege to lead the association representing New Zealand's civil construction industry. It is one I don't take lightly, but one where I am determined we make a tangible difference to member businesses, are recognised for leadership and effectiveness, and acknowledged as a professional, credible, and respected industry association.

Alan Pollard, CCNZ Chief Executive



# Key achievements for 2022-2023

# Advocacy and representation

- Progressed the review of NZS 3910 construction contracts, ensuring the inclusion of two civil construction representatives on the review panel
- · Provided significant input into Resource Management Act reform and replacement
- Presentations to Select Committee
- Advocacy around the need for increased maintenance investment in roading and water
- Strong voice for a consistent and visible work pipeline
- Immigration advocacy achieved Green List roles for civil tradespeople and cyclone recovery visa for workers
- Representation for civil contractors on more than 50 industry and client groups
- Industry representation on technical issues like pavement performance, bitumen, road work site safety and environmental outcomes

# Member and stakeholder value and engagement

- Branches engaged with members across the regions
- Provided more than \$7 million in discounts to members
- Supported MATES in Construction with funding to continue connecting thousands of members with training and support
- Grew membership by nine per cent
- 80 per cent of members reported real value for their businesses in the annual survey, with 51 per cent rating the association 'extremely valuable' or 'very valuable'
- Connected with more people than ever before through mature communication channels
- Scoped a CCNZ-led national delegation to CONEXPO 2026
- Renewed our Principal Business Partner agreement with Hirepool.

# **Developing people**

- Released the Government-funded Developing a Skilled Civil Construction Workforce report to map out the trades entry points
- Continued building the EPIC Careers in Infrastructure career promotion platform, with funding for a new road maintenance stream of EPIC from Waka Kotahi NZTA
- 813 people Civil Trades Certified, 2,161 enrolled
- Significant input into temporary traffic management changes in the shift from a compliance-based approach to a risk-based approach
- Young Contractors group established in Auckland
- Renewed our REOC/NEOC naming rights sponsorship agreement with CablePrice
- Initiated global promotion and recruitment campaign

# **Operations**

- Operated technical and other committees and working groups
- Grew social media following to more than 17,000 followers across channels
- Reached people more than 1,000,000 times through EPIC Careers in Infrastructure
- Agreement from clients on need for shift from hot cutback bitumen to emulsion
- Increasing focus on understanding practical sustainability initiatives for the civil construction industry
- Expanded CCNZ team capabilities
- Built on working relationships with local government clients
- · Significant contribution to severe weather response and recovery

VISION MISSIC			NC		VALUES	
		trusted and sustainable struction industry.		Trusted Professional Reliable Collaborative		
		ORGANISATION WI	DE	STRATEGIES		
<ul> <li>Provide proactive industry leadership</li> <li>Engage with members</li> </ul>	- • F	Support a healthy and safe industry Promote the CCNZ Healthy ndustry Statement STRATEGIC	OE	Promote sustainability and environmental excellence     Work with asset owners BJECTIVES	in	laise the positive profile of the ndustry and CCNZ Promote diversity, inclusion and fur
STRONG REPRESENTATION AND ADVOCACY	-2	MEMBER AND STAKEHOLDER VALUE	3	DEVELOP PEOPLE	4	OTHER
Represent industry to key national and regional bodies           Promote a healthy civil construction industry           Strong networks with key politicians and central and local government           Strong networks with other industry bodies           Seek out and represent the views of members, Branches and Associates           Raise the positive public profile of the	2.2   2.3   2.4   2.5   2.6	A strong network of active branches Increase the depth of engagement with members Increase membership numbers through retention and recruitment Enhance member discount opportunities Fun events that celebrate the industry Increase CONZ's member rating in annual membership survey	3.5	Embed Civil Trades into industry Promote health, safety and wellbeing Promote EPIC work/careers in infrastructure Recognise and reward people through industry awards, competitions and events Develop and support industry training and people development Promote diversity	4.1 4.2 4.3 4.4	Manage industry self-regulation to enha industry professionalism Champion industry best practice Inform and advise members by produoi relevant, concise and timely information Drive industry sustainability initiatives

# **Advocacy and representation**

Civil Contractors New Zealand is the voice of New Zealand's civil construction industry and works to ensure contractors' views are heard.

Advocacy initiatives founded in the 2022-2023 year included significant media work, a comprehensive report on workforce entry points, many submissions, detailed work around immigration, and representation for contractors on liaison groups within government and with other industries.

The CCNZ team leads discussion with policymakers in central and local government, increasing awareness on topics such as the infrastructure pipeline, road work site safety and many other issues impacting civil contractors.

## Input to decision-making

CCNZ regularly engages with government, opposition, agencies, partner organisations and other industry associations. We have made many written and verbal submissions to organisations ranging from Government and local authorities to councilcontrolled organisations on a wide range of issues, discussion papers, proposals, policies, regulations, and legislation.

This has included taking a lead around progressing the review of NZS 3910 contracts and informing the country's approach to

immigration and overseas recruitment following the reopening of the borders.

CCNZ raised its efforts in making comprehensive submissions throughout the year, appearing before Select Committee several times on topics including RMA reform, severe weather event response and water reform, in addition to presenting to ministers and opposition portfolio leaders.

Branches engage actively with local government around issues such as procurement, the forward work pipeline and regional capacity and capability.

#### Immigration

Following the pandemic and resulting border closures, there has been significant need to refocus government immigration policy towards resolving skill shortages, and away from creating costly barriers to entry.

CCNZ approached government and opposition about the need for better recognition of skilled civil tradespeople and better pathways to residence. These approaches resulted in the addition of civil tradespeople to the Green List, and the creation of a six-month cyclone recovery visa.



# Media

CCNZ kept up scheduled media columns and presence in Contractor and LG Magazines, and influenced change through media interactions, as well as proactive and reactive media releases on topical issues.

CCNZ CablePrice National Excavator Operator Competition media was particularly successful this year, with the competition capturing the public imagination. This year's competition received widespread pickup and attention from regional and national media. More than 30 stories covering the leadup to the competition and the results were published across television, radio, print and online news outlets – including front page articles and prime time TV spots.

#### **Procurement and tenders**

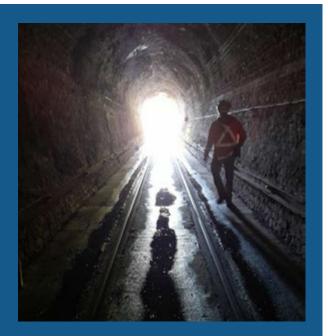
CCNZ's Healthy Industry Statement remains the cornerstone of our advocacy work in this area. With the recent move towards more panels, longer-term contracts and broader contract outcomes, this advocacy has focused on the need to create opportunities for contractors of all sizes.

Clients are increasingly seeing CCNZ as a valuable connector with contractors, and a source of good feedback. Some branches have established very good relationships with their local clients.

### Road work site safety and CoPTTM review

Work around changes to temporary traffic management reached a pivotal stage this year, following the release of WorkSafe guidance and the pending shift from compliance-based TTM under the Code of Practice for Temporary Traffic Management to the New Zealand Guide for Temporary Traffic Management.

These changes result from the significant efforts CCNZ, Waka Kotahi NZTA, Local Government NZ and WorkSafe have put into an ongoing effort to improve road worker safety, through the development of a Road Work Site Safety Strategy.



These changes will influence how contractors manage traffic around road work sites, and much more work is needed to bring the industry up to speed with what the changes will require. This will be a key focus area for Michelle Farrell, our new CCNZ Technical Manager.

Coupled with these changes is a drive to set recognised qualifications for temporary traffic management workers, resulting in the creation of qualifications and recognised career pathways for these workers.

### Networks and industry representation

CCNZ represents contractors on more than 50 industry associations, working parties, committees, advisory and consultative groups at both national and regional levels. Our key objective is to drive and influence change by being involved in the relevant considerations, discussions and debates as these develop.

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

These groups range from the Construction Sector Accord Industry Reference Group and Mining and Extractives Safety Council, through to Waka Kotahi industry liaison groups and Waihanga Ara Rau Construction and Infrastructure Workforce Development Council working groups.

Several key achievements have arisen from these activities, including government-funded resources to attract international infrastructure construction talent to New Zealand through the NZ Story initiative, due to launch in mid-2023.

Relationships with other industry associations are important, and we have maintained relationships with key partners such as the Aggregate and Quarry Association, WasteMINZ, ACE NZ and Registered Master Builders, as well as renewing our relationship with Infrastructure New Zealand as a key partner in the advocacy space.

Following the severe weather events, CCNZ was also invited to contribute to the governance and operational response committees for the transport recovery in the Hawke's Bay East Coast region.

## CCNZ Teletrac Navman Construction Industry Survey

The sixth annual Construction Industry Survey was conducted in partnership with Teletrac Navman, an initiative that continues to provide excellent value. A report was produced from the findings and distributed to media and government decision makers.

This survey enables CCNZ to gauge the state of the industry by carrying out detailed analysis on the big issues and bringing reports on the state of the industry to decision makers and the public. It provides solid data to make sure the CCNZ advocacy programme is directly informed by the opinions of members.

CIVIL CONTRACTORS NEW ZEALAND

# Value and engagement for members and stakeholders

Members join CCNZ because they want to be part of a proactive network of professional contractors and ensure that we have a safe, viable and progressive industry. They value having an organisation run by and working for contractors – and opportunities to save money through the shared buying power an association can offer.

# Providing discounts and opportunities for members

Member savings with CCNZ's trade discount partner, n3, fell from \$8.6m to \$5.3m in the past year, despite spend rising to \$12.3m from \$11.4m. The reason for this fall in savings is price increases from suppliers due to cost escalation and inability to maintain discount rates. We will observe whether this trend continues in the coming year, however it represents a rebalance as savngs rose from \$5.3m to \$8,6m in the 2021–22 year. This trade discount scheme is free to CCNZ Contractor and Major Associate members and is well-utilised with 354 member companies using it over the past year, up from 330.

CCNZ's group health insurance policy for members is operated by nib and Advice Financial, and grew by 76 policies in the past year, and now has 353 policies, covering 467 lives. Anecdotally, members have said the scheme is an excellent membership benefit. Members have advised CCNZ this scheme has saved lives.

Z fuel discounts provided more than \$300,000 in savings for members. Alongside other discounts, including free legal advice from Dentons Kensington Swan and free digital subscriptions to Contractor Magazine, this means CCNZ members have saved more than seven million dollars through membership in the past year alone. This amount clearly illustrates that CCNZ membership is a saving rather than a cost.



## **CCNZ value ratings**

Of members surveyed in the annual survey, 80 per cent reported real value in membership for their businesses. Fifty-one per cent rated the association 'extremely valuable' or 'very valuable'

There was an increase in members rating membership as 'extremely valuable' (up to 17 per cent from 14 per cent), those rating membership as 'very valuable' rose from 31 per cent to 34 per cent (see graphic below).

Members saw the most value in CCNZ as a source of information, knowledge and updates, followed by meetings and networking events.

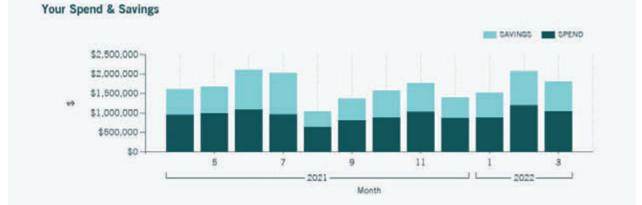
The amount of members participating frequently with their CCNZ branch dropped slightly to 38 per cent (down from 42 per cent). Members rated advocacy with central and local government, advocacy on training and education, and technical guidance to support members as the most important CCNZ initiatives.

Areas for improvement included industry best practice guidelines, central government advocacy and training and education opportunities.

# **MATES in Construction**

MATES in Construction is a charity set up to provide mental health support and suicide prevention for New Zealand's construction industry. Its work includes research, advocacy and direct training to support people to have good conversations about mental health and prevent suicide.

MATES engage with workers through on-site training and providing those identified as at risk with case management support that connects them to suitable professional support. MATES Field Officers are trained in suicide intervention skills and







Mates in Construction was awarded the 2022 Major Associate Award at CCNZ **National Conference in** Christchurch, with CCNZ Bay of Plenty Branch raising more than \$30,000 for the

have experience with the building and construction industry. This allows them to engage easily with the workers on site.

CCNZ supported MATES in Construction in 2021-2022, entering into a formal partnership agreement and connecting members with direct training and events. This enabled thousands of civil construction workers to benefit from awareness training and first responder training to support colleagues impacted by mental health issues.

In 2022-23, CCNZ conducted fundraising for MATES in Construction, raising more than \$30,000 with a "Teeing off for our MATES" charity golf tournament in the Bay of Plenty. The significant support the mental health charity had provided to the industry was also recognised on the big stage at CCNZ National

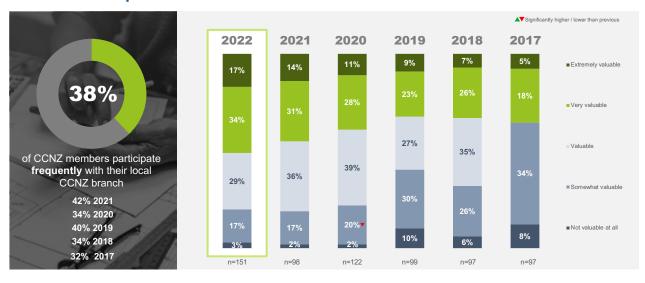
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Conference 2022 in Christchurch, as MATES in Construction was the winner of the year's Major Associate Award.

# International connections

CCNZ reconnected with international associations, securing permission to lead the New Zealand national delegation to CONEXPO in the USA, which features the latest technology and equipment and hosts 139,000 delegates from around the world. CCNZ has managed to secure event discounts for contractors travelling as part of the 2026 delegation, and is now planning around supporting interested members in attending.

A relationship was also rebuilt with Australian counterparts, the Civil Contractors Federation of Australia, with a visit to



# **CCNZ Membership Value**

Australia from CCNZ Chief Executive Alan Pollard resulting in a reciprocal arrangement, with CCF Australia Chief Executive Chris Melham to attend CCNZ National Conference.

#### Branch engagement

CCNZ branches have increased their capability to reach members using the news and email tools provided to them through CCNZ's CRM.

This has led to increased engagement at branch level, although there is presently a significant amount of email traffic. This will require attention, and other channels to be built on so that members do not get overloaded with emails.

Hiring proactive secretaries who are capable of operating the systems required has been prioritised by the branches, and has achieved good results.

# **Subcommittees**

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

- Traffic Committee
- Pavements Committee
- Surfacings Committee
- Asphalt Committee
- Large Contractor CEO Forum
- Civil Trades Board
- NZS3910 reference group

CCNZ's pilot Civil Workforce Forum was disestablished due to other groups set up in this space – for instance civil constructionfocussed groups within Waihanga Ara Rau Construction and Infrastructure Workforce Development Council.





CONEXPO in the USA hosts 139,000 delegates from around the world





# **Developing people**

CCNZ owns and operates Civil Trades certification for skilled civil tradespeople and promotes careers through the EPIC Careers in Infrastructure campaign.

In addition to this, the association has been working to map out entry points, and also to provide practical solutions to address the workforce needs of the industry.

# **Civil Trades**

Civil Trades is the industry's certification programme to recognise highly skilled civil tradespeople. It 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.

Efforts to review Civil Trades in 2022-23 resulted in revisions to the Civil Trades Board, which approves certification. Effort was also put into resolving administrative inconsistencies following the transition from Connexis, which had previously administrated Civil Trades for CCNZ.

Founded in 2015, Civil Trades continues to grow. It is increasingly asked for in the tender process and as this occurs uptake of certification will as well. In the past 12 months Civil Trades has seen some structural changes with a charter review, appointing a new board with a strong focus on governance and oversight and ensuring the scheme remains fit for purpose with a full documentation review.

Over the year, the number of Certified Civil Tradespeople rose from 745 to 813, and more than 2,161 people were enrolled in either NZ Civil Infrastructure apprenticeships or in active training (up from 1,235 in the previous year), going through to obtain the required Level 4 qualification.

The new board have been involved in setting a direction for a Continuing Professional Development (CPD) scheme, which once tested with members will be rolled out to



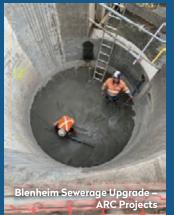


Above left: Joe Pakoti from HB Civil Contractors receiving his Civil Trades certificate in pipeline construction and maintenance. Above middle: Oto Tu'a of Citycare water receiving his certificate in April 2023. Above right: Viliamu Pritchard of Wellington Water receiving his certificate at the April 2023 Wellington Wairarapa Branch Meeting



Civil Trades certificates presented to recipients at a Wellington Wairarapa Branch Meeting in April 2022







support the ongoing development and value of the Civil Trades scheme.

The development of a Civil Trades alumni programme is in progress, and we are looking forward to promoting this through regular newsletter updates and regional activity to continue developing a community of connected individuals and good practice. Civil Trades is a key space for mentoring young people entering the industry. Both the alumni and CPD scheme initiatives are about supporting Civil Trades certified people and ensuring the scheme adds value to the holders.

To become Civil Trades qualified, people must hold an appropriate Level 4 qualification (normally based on the Connexis Infrastructure Works suite of qualifications), have done 8,000 hours work in the industry and have demonstrated their knowledge and expertise directly to a recognised evaluator.

Civil Trades evaluators continue to play an important role and contact with this group has increased to ensure consistency and maintain engagement. Connexis has now fully transitioned to be part of the Te Pūkenga network, and continues to support the certification scheme with its field team holding conversations with recently qualified trainees about applying for certification. Thank you to our evaluators, Connexis and to our Civil Trades Board for their continued hard work and time on this industry certification scheme.

#### Awards and competitions

CCNZ's national awards programme, the Hirepool Construction Excellence Awards, is recognised as the peak national project awards programme for the civil construction industry

The 2022 CCNZ Hirepool Construction Excellence Awards were held at the joint Civil Contractors New Zealand and Hire Industry Association of New Zealand Conference at Te Pae Christchurch Convention Centre. This year again saw 32 finalists named, selected by judges from more than 50 entries.

The Z People Awards and Connexis Company Training Awards provide valuable opportunities to recognise standout performers within the national industry, and were also presented at Conference, with Fabian Bracken of Connell Contractors winning the Emerging Leader Award and the Personal Improvement Award going to Danny Wilson of Isaac Construction.

CCNZ has seen massive growth in its regional branch awards. Hundreds attend these regional awards evenings, which typically attract between 200 and 600 people. All branches but one now have awards programmes.

These events are valuable for the industry as they give members a chance to profile their work, network, celebrate and build better working relationships at a regional level.



Above: CCNZ Northland Branch Chair Kylie Wech and regional competition winner Steven George – the eventual runner-up at nationals

Top right: Grapple Course 'Block Traverse'

Right: Grapple Course 'Weightlifting' at the CCNZ CablePrice Northland Regional Excavator Operator Competition

They provide regional recognition of standout achievements, projects and people in the industry. Despite the impacts of the pandemic, several branch awards programmes were able to continue in full or part, depending on timing.

## Regional and National Excavator Operator Competitions

CablePrice will continue its role as the Platinum and Naming Rights Sponsor for the National Excavator Operator Competition, after successfully renegotiating the agreement with CCNZ, supplying Hitachi excavators for the competition. Congratulations CablePrice, and thank you for your ongoing support.

CCNZ branches contribute a lot of time and effort into running well attended and professional regional excavator competitions across the country. These events showcase the regional industry, also making careers in civil construction more accessible to the public.

The 2022–23 National Excavator Operator Competition was won by Troy Calteaux. The Milton local and Andrew Haulage 2011 Ltd employee dug deeper than ever before, securing the win and becoming a three-time national champion. Troy's success at this year's competition, held in March 2023 at Manfeild Park in Feilding during the Central Districts Field Days, follows national titles in 2018 and 2021 and puts him alongside the most successful operators in the competition's 29-year history.





The runner-up this year was Northland champion Steven George, of Steven George Contracting Ltd, who put in an impressive showing at his first shot at the nationals, also taking home the Z Energy One Day Job Trophy. The 2021 runner-up, veteran Waikato competitor Mike Bowe, of Bowe Brothers Excavating Ltd, placed third.

## **EPIC Careers in Infrastructure**

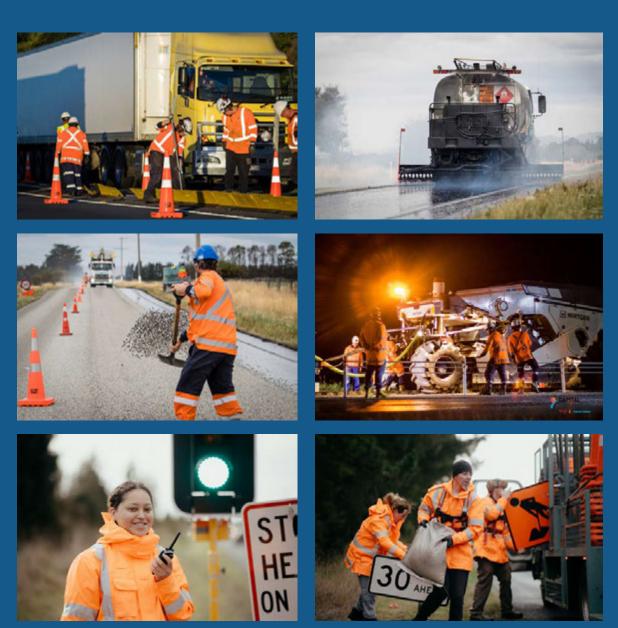
The EPIC Careers in Infrastructure career promotion platform launched in August 2018 to address critical skills shortages in civil construction, as well as showcase the industry and raise its profile.

EPIC raises awareness of the meaning of civil construction work and the outcomes it enables, connecting with career seekers and advisors who may not have otherwise considered civil infrastructure construction a career opportunity.

There are several channels for these messages. The EPIC website features cinematic videos, contractor stories in video and on the EPIC blog, and a linking map of opportunities. These reach a wide audience of career seekers and career advisors through the EPIC e-newsletter, social media and print.

EPIC is a career promotion, rather than a work broker or recruitment agency. However, it is possible to use EPIC to connect people who enquire with training and work





A new road maintenance stream of EPIC was funded by Waka Kotahi NZ Transport Agency in August 2021, to raise awareness of opportunities in road maintenance and support people into road maintenance work



Several schools from across the Manawatu region visited an EPIC Careers Hub at the CCNZ CablePrice National Excavator Operator Competition

opportunities. Connecting career seekers with trainers and employers will increasingly be a focus alongside the promotion activities.

Priorities for the upcoming year include working with CCNZ's network of recruitment partners to better support recruits expressing interest in civil construction roles into work.

# **EPIC Careers in Road Maintenance**

A new road maintenance stream of EPIC was funded by Waka Kotahi NZ Transport Agency in August 2021, to raise awareness of opportunities in road maintenance and support people into road maintenance work.

This funding has helped revitalise EPIC social media, which was previously in a holding pattern as pandemic restrictions prevented careers events and made face-to-face meetings with career seekers and their advisors much more difficult. EPIC social media has reached more than 1,000,000 people over the past 12 months, bringing stories of career success in civil construction to the public.

The significant increase in reach is thanks to the significant boost in funding from Waka Kotahi NZ Transport Agency and the creation of the EPIC Careers in Road Maintenance substream of EPIC.

## **The EPIC Photo Competition**

CCNZ continued to operate the EPIC Photo Competition, conducting two competition rounds and receiving hundreds of photos to showcase the industry. The stories of the winners are featured on the EPIC blog, alongside contractor stories.

# New ways of working

The civil construction industry has a set of challenges that require a paradigm shift in the ways we develop and grow talented people.

# From this



# To this

Educators are currently the only officially recognised trainers		Supervisors are recognised as trainers to provide on the job training
Immature industry apprenticeship system	)	A working apprenticeship model is developed and sustained
People enter the industry without practical skills	)	Practical, industry-specific skills are delivered prior to employment.
New entrants to the industry are turned away because they don't have the required skills	)	New entrants are sent to appropriate training to become work ready
Delivery of infrastructure-specific training is funded at a small scale	)	Delivery of training is funded consistently. Funding is accessible to the right trainers
Contractors primarily recruit skilled people, or use labour hire organisations to offset risk	)	Career pathways are clear and accessible to new entrants
Requirements for employment are poorly defined		A clear description of skills and knowledge requirements for entry
There is a critical skills shortage	)	A steady pipeline of talent is supported to enter the industry

# **Careers Hubs, schools visits and showcases**

CCNZ has hosted hundreds of career seekers to events, including a schools visit for 80 career seekers to CCNZ National Conference, visits for several schools to a Careers Hub at the CCNZ CablePrice National Excavator Operator Competition featuring mini dig and have a go excavators, and also a visit for schools to civil construction sites across the Tasman district.

# **Developing a Skilled Civil Construction** Workforce report

The Developing a Skilled Civil Construction Workforce report was published and released in April 2022. This comprehensive report explored the barriers to entry for new workers coming into the civil construction industry, documenting the challenges and exploring potential solutions, based on in-depth discussions with members.

The report proposed a programme of work to be led by a Workforce Development Manager, and Rebecca Fox joined CCNZ in May 2022 to lead this work programme. This new role will continue building on the foundations, supporting people to enter the civil construction industry and develop their skills in a way that is recognised by industry and supported by the education system and other partners.



# Workforce development

A CCNZ Workforce Development Strategy is in development and will be released in 2023.

Many different organisations are in the process of developing construction and infrastructure workforce development strategies for the sector. Civil construction has often been overlooked in construction workforce strategies, so ensuring civil construction members' voice is recognised in these requires substantial engagement. In some instances, reports have been released with little or no consultation with members and little meaningful result – this is why we need our own strategy.

Work has been undertaken to strengthen relationships with agencies who also have interest in workforce development such as the Infrastructure Commission, the Construction Sector Accord, Construction and Infrastructure Centre of Vocational Excellence, Ministry of Business, Innovation and Employment and other membership organisations.

CCNZ has developed key partnerships in the strategic sector reference group of Waihanga Ara Rau Construction and Infrastructure Workforce Development Council. This relationship influences advice they provide to the Tertiary Education Commission around funding and development of sector qualifications and career pathways. Clear career pathways are critical to ensure new entrants to the workforce can get the skills they need and have ongoing development opportunities. CCNZ has contributed to the review of civil infrastructure programmes from Level 2 to 4 qualifications through the Te Pukenga network.

Members continue to emphasise the need for more entrylevel workers and work ready skills. Infrastructure Skills Centre pilots conducted through 2021 show there is a working model to upskill workers prior to entry, and that programmes can deliver skills needed by industry. CCNZ supports these initiatives where they are delivered by industry. More work is needed to ensure a sustainably funded model and support entry level skills delivery.

We have successfully supported local schools to focus on trades academies to develop a pipeline of work-ready youth into the sector, through Te Pukenga and local chambers of commerce.

This 14-week delivery across 2 days per week sees school students in class and on tools. Industry based trainers are in front of these school learners and at the conclusion of their programme the level 2 NZ Certificate in Infrastructure Works will be awarded. More activity in this area is vital, and linking youth with local projects through Gateway and Trades Academy is supporting the industry.

# **Operations**

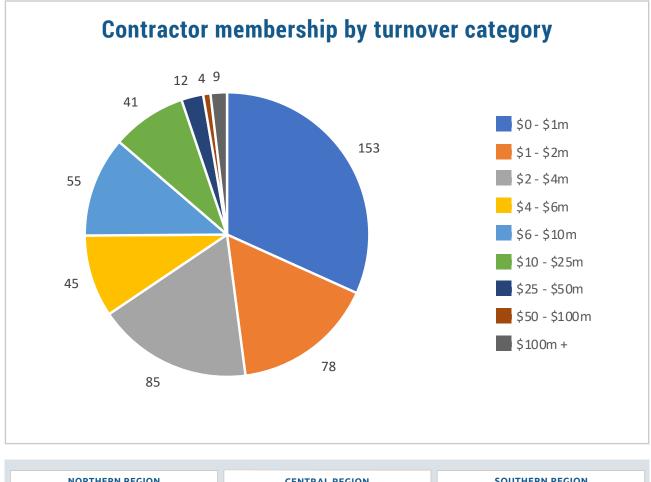
# Branches

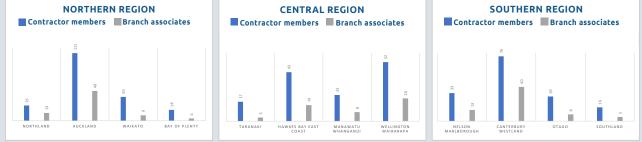
CCNZ branches create a direct link to members in the regions. This provides opportunities for members to network, gain knowledge and showcase skills and expertise. Significant voluntary input from contractor and associate members ensures events like regional awards evenings and excavator operator competitions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

Branches are supported by CCNZ Regional Managers, and also actively engage with local authorities, meeting regularly to provide feedback around procurement and the state of the regional industry. Many branches were impacted by reduced ability to operate events over the year. More information on branch activities can be found in the regional reports, below.

Eve Cooper transitioned from Membership and Events Manager to Southern Regional Manager during the year. Calum Twist and Grant Radovanovich have worked hard to support the branches in lifting local engagement and participation as Northern Regional Manager and Central Regional Manager, respectively. CCNZ has had significant

CCNZ Members March 2018 – March 2023						
	2019	2020	2021	2022	2023	
Full Members	385	381	396	441	482	
Full members (pending approval)	1	0	11	8	7	
Total Contractor Members	386	381	407	449	482	
Major Assoc, Core Assoc & Principal Business partner	42	46	47	62	66	
Branch Associates	175	177	167	176	189	
Member Subsidiary	19	15	17	20	23	
Total Members	622	619	638	707	760	





input into the creation of qualifications and career pathways for temporary traffic management workers.

### Membership

Contractor membership increased, growing by nine per cent over the past year to 482 contractor members. This growth in membership has continued, with more contractor members joining at the time of writing. General membership including associates also grew by nine per cent to 760.

The increase in membership results from efforts to improve CCNZ membership systems, increased public profile, interaction with our members through timely webinars and e-newsletters, providing relevant information such as industry protocols and best practices. In the coming year, we will focus on illustrating the value of membership through our branch and regional manager networks.

# Technical

CCNZ technical committees are facilitated by the Technical Manager and meet regularly, providing input into technical standards and best practices, and advising client groups.

The Technical Manager is a significant role. CCNZ Technical Manager Stacy Goldsworthy ended five years of service at the end of this reporting year, leaving a legacy including many high-quality industry technical publications and lasting changes in the temporary traffic management space. Stacy's successor Michelle Farrell will take on the portfolio of work in April 2023.





The Black Art Master of Ceremonies – Michael Haydon

More than 220 practitioners of the black arts of bitumen construction attended The Black Art 2022 in Auckland







Top left: James from JPS Earthmoving, at Martinbrough SH53 - Clearing bridge piers of debris after a large flooding event. Left: Fulton Hogan - Gisborne District Council. Above: Pug Mill Quarry





CCNZ's approach revolves around providing clear feedback to client groups and government agencies, informing initiatives such as the Asset Management Data Standard, Pavement Performance Review, Bitumen Cost Adjustment and many other initiatives, including extensive input into Waka Kotahi's review of the *Code of Practice for Temporary Traffic Management*, and WorkSafe's complementary good practice guide.

There is an increasing emphasis on sustainability in civil construction, and CCNZ is interfacing with organisations such as the Infrastructure Sustainability Council of Australia to better understand and inform how sustainability efforts can be applied within the New Zealand civil construction industry.

CCNZ has successfully operated a full-day bitumen technical event now known as The Black Art, in partnership with the National Pavements Technical Group and National Surfacings Technical Group. The 2022 event was a huge success, with more than 220 practitioners of the black arts of bitumen construction attending the Due Drop Events Centre in Auckland.

# E2 certification for bitumen sprayer trucks

CCNZ administrates the industry certification of New Zealand's fleet of bitumen sprayer trucks for the civil construction industry, to ensure the fleet is working safely and meets industry standards. CCNZ works alongside 7 bitumen sprayer testing laboratories across New Zealand.

As at March 2023, 85 bitumen sprayer trucks were certified across 20 civil construction companies.

### **Technical publications**

CCNZ manages a range of industry best practice guidelines. Significant publications include the *The Civil Contractors Environmental Guide* which was updated by a group of environmental experts from CCNZ membership, and was made available to members in hard copy in the 2021–22 year. This guide provides simple, practical tools and advice for managing environmental impact throughout civil construction projects.

The Code of Practice for the Safe Handling of Bituminous Materials (BPG01) is a 333-page industry best practice guide. Along with its subsidiary technical guides the Bitumen Safety Handbook, Quality Assurance for Bituminous Binders and Requirements for Bitumen Sprayers, it was published to an online portal in October 2019. This is a very important document for CCNZ members and was migrated to the CCNZ CRM system at launch. There are 97 current annual subscribers.

New technical publications issued during the year include Guidance for the Selection of Chipseal, Guidelines for the use of Bituminous Emulsion for Chipsealing, and Unconfined Compressive Strength – Industry Guidance for Cement Bound *Aggregates*. A new guideline, *Industry Guidance for Basecourse Preparation*, is underway for publication in mid-2023.

The CCNZ Blue Book for plant hire rates is currently out of print. This document was last updated in 2016, and it is currently being scoped for an update or conversion into a set of online tools and calculators in the new year.

Other publications in print range from physical guide books such as the *CCNZ Environmental Guide and Bitumen Safety Handbook,* to digital best practice guidelines such as test methodologies and contract agreement templates. These publications are often outputs of CCNZ technical committees.

Where possible, they are made available to members freely as a benefit of membership, although sometimes costs of project management and design need to be recouped. Overall, 2,445 publications were provided to members through the online shop, and CCNZ recouped \$24,847.45 in publication costs through sales to support travel and committee meetings as well as design and project management support for these quidelines and publications.

CCNZ thanks those who have provided their time and expertise into these industry best practice guidelines.

#### Communications

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

All CCNZ communications channels grew significantly during the year, with LinkedIn growing to more than 10,000 followers and the overall social media (not including branches) growing by 34 per cent to 17,500. A total of 45,877 people visited the CCNZ website across the year, with a 10 per cent increase in website visit numbers to 72,141 from the previous year.

Growth of the email communications platform built into the CCNZ CRM system resulted in expansion of CCNZ mailing list to 4,972. CCNZ continues to publish the fortnightly *Civil Talk* e-newsletter, which is read by an average of 1,749 people a fortnight, and provides relevant news and updates from across the civil construction industry.

## **CCNZ Conference**

The 2022 Conference was held at Te Pae Christchurch Convention Centre, attended by more than 800 delegates. Held as a joint conference alongside the Hire Industry Association of New Zealand (HIANZ), it aimed to deliver more value for small to medium businesses.

Highlights included a massive conference expo, the EPIC Schools Visit, which saw students from across Christchurch schools attend conference to find out more





The 2022 Conference was held at Te Pae Christchurch Convention Centre in Christchurch

Top left: CCNZ renewed its agreement with Hirepool as Principal Business Partner, with the agreement signed by then-President Tony Pike at CCNZ Conference, alongside Hirepool GM – Sales and Marketing Gary Richardson

about working in infrastructure, the Infrastructure Strategy Panel, a Steampunk Themed Dinner and the CCNZ Hirepool Construction Excellence Awards.

# Principal Business Partner, Core Associates and Associate Members

CCNZ associates provide ongoing financial and in-kind support, for the good of the industry. Without the support of these companies CCNZ would not be able to operate at the level it does at branch level and nationally.

CCNZ renewed its agreement with Hirepool as Principal Business Partner, with the agreement signed by then-President Tony Pike at CCNZ Conference, alongside Hirepool GM – Sales and Marketing Gary Richardson. We are hugely appreciative of Hirepool's ongoing support for our industry.

Sincere thanks to Core Associate Members – CablePrice, Z and Dentons Kensington Swan for their financial and in-kind support.

# **Contrafed Publishing**

CCNZ is Contrafed Publishing's major shareholder, with 83.27 per cent of shares. Contrafed has continued to publish Contractor, LG and Q&M magazines and electronic newsletters, and to produce Water magazine under a contract with Water New Zealand.

Contrafed is now operating on a sound commercial footing, and declared a strong dividend to shareholders during the year.

#### Staff

The National Office team has been through a significant transition throughout the year. We are building a strong and experienced team that works together well for the benefit of members.

Eve Cooper transitioned from Membership and Events Manager to Southern Regional Manager in October 2022, following the retirement of Ollie Turner, with Nicola Hakes taking on the Membership and Events role as of November



CCNZ is no longer occupying Margan House, and the property is subject to a signed agreement for sale

2022. Anna Lovelock finished up her role as Office and Civil Trades Administrator in December 2022, and was succeeded by Heather Clayton, with Geeta Unka commissioned to oversee our finance function.

Fraser May became Communications and Advocacy Manager in April 2022, following his work on the *Developing a Skilled Civil Construction Workforce* report. A new workforce development work programme has been established and is serviced by Rebecca Fox, who joined the team in May 2022.

#### As at 31 March 2023, CCNZ National Office staff were:

Chief Executive	Alan Pollard
Office & Civil Trades Administrator	Heather Clayton
Technical Manager	Stacy Goldsworthy*
Membership & Events Manager	Nicola Hakes
<b>Communications Manager</b>	Fraser May
Accounts and Finance	Geeta Unka
Northern Regional Manager	Calum Twist
Central Regional Manager	Grant Radovanovich
Southern Regional Manager	Eve Cooper
Communications and Advocacy Manage	<b>r</b> Fraser May
Workforce Development Manager	Rebecca Fox
31 March 2023 was Stacy's last day in his role with Miche	le Farrell ioining in April 2023

31 March 2023 was Stacy's last day in his role, with Michele Farrell joining in April 2023.

# **Financial**

The financial result for the year ended 31 March 2023 was pleasing. The total group surplus was \$255,366 after tax. On a pre-tax basis, National Office made a surplus of \$82,217, branches made a surplus of \$106,511 and Contrafed Publishing Company made a profit of \$222,670.

For National Office, the improvement in financial performance can be attributed primarily to increased membership subscription income, a positive net conference contribution, and a Contrafed dividend.

Four branches had small deficits for the year, but all have a reasonably strong cash position. Contrafed continues to improve its financial position, has strong advertising and subscription revenue streams, and has good financial disciplines in place.

The group balance sheet is strong, with a working capital ratio (current assets/current liabilities) of 5.6 (the ratio reflects liquidity and a range of 2.0 to 2.5 is considered good). Group equity has increased by \$266,339 to approximately \$3.5m.

At balance date, the CCNZ owned property at 21 Fitzherbert Terrace, Thorndon, Wellington (Margan House) was subject to a signed agreement for sale. CCNZ is no longer occupying Margan House, instead leasing (for a nominal rental) space in Thorndon Quay owned by the contracted purchaser.



# Cyclone response and recovery

Early in 2023, Northland, Auckland, Coromandel, Bay of Plenty, Gisborne, the East Coast, and Hawke's Bay experienced severe weather events which had a devastating impact across the regions.

So many residents were affected by the storms (including our members, their families, and their businesses), and yet in its immediate aftermath it was our members who were out in the community acting as first responders to save lives, pets, and property, and to make roads and other terrain safe. They did so voluntarily and without second thought, and we know that the communities are incredibly grateful for these unselfish acts during the response and recovery, work which continues today.

While a review of the effectiveness of the overall emergency responses will be needed, we can be incredibly proud of the role our industry and our members have played to support our communities throughout this devastating event.

#### In response to the severe weather events, CCNZ:

- Offered assistance and support to impacted members.
- Lobbied government for funding to support contractors and better co-ordination during the response.
- Became a member of the State Highway governance and operations groups with Waka Kotahi and the alliance members, overseeing the state highway response for transport recovery.
- Worked with the Hawkes Bay/East Coast horticulture community to support them with the cleanup of silt.
- Worked with Federated Farmers and Rural Contractors to support the rural cleanup.
- CCNZ Regional Managers connected with their local communities and participated directly in the response.
- · Coordinated member offers of equipment and assistance













2019 CCNZ CablePrice National Excavator Operator Competition champion Riki Lum competing in the 2022 CCNZ Northland Regional Excavator Operator Competition

Councils are generally being more flexible around start dates of contracts (and have had to be due to lead times and capacity). In many cases they are now indicating dates that works must be completed by.

# Northland CHAIR: KYLIE WECH

**G** enerally, the Northland region has been busy over the past year. There has been a struggle for resources industry-wide, as well as recruitment and retention of quality staff.

CCNZ Northland Branch remains in good financial health. Our awards evening surplus funds were well-used to hold our annual digger competition and subsidise our Christmas meeting Quiz night.

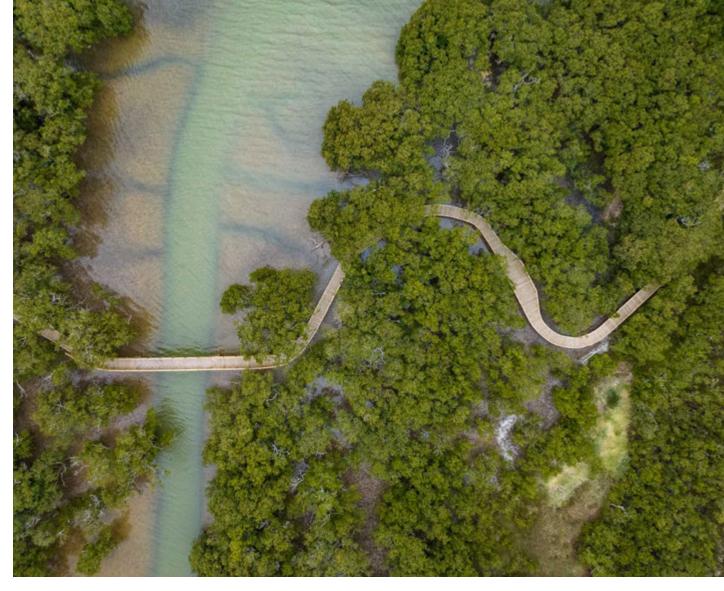
Helen Smuts-Kennedy has been very proactive as our new Branch Secretary regarding accounts, events, and general helpfulness to membership. As a result, we are seeing increasing engagement and a steady increase in attendance at Branch meetings.

We have had increasing interaction with Whangarei District Council at branch meetings and were again invited to present to the Whangarei Councillors and Mayor. This was well received and has in turn seen councillors attend some branch meetings to chat with members.

Our biannual meeting between CCNZ, the four local councils and Waka Kotahi has been handed over to us to lead, and we are also now having bimonthly meetings with the Whangarei District Council's GM Infrastructure, along with councillors and head of infrastructure. It is very clear change is wanted; we are grateful to be part of the solutions.

However, there is still uncertainty around pipeline. The main principals in the market are still talking about strong forward workload but visibility on this is limited. As an example, we are now receiving programmes from Whangarei District Council, but these programmes do not have dollar values to provide a complete picture. Engagement with other councils has been non-existent. We are trying to use our connection with WDC to influence other councils to build relations.

There was a major hold up in the pipeline for the NTA



Paihia to Opua Coastal Walkway - Stage 1 Bridge and Boardwalk Replacement - Steve Bowling Contracting

(Northland Transportation Alliance) spend for this financial year. This was due to them receiving their budgets from Waka Kotahi NZ Transport Agency later than expected, which meant they set their budgets late and were late to engage with consultants to design and be in the position to procure projects in the market.

This continues to be an issue, we are now about to finish year two of the funding cycle and budget for this year has again been underspent, so we are concerned about the pressure this could put on our contractors as they will have two years of underspend to carry into the third year.

There has been a lack of significant infrastructure projects (both number and construction value) in Northland this year and this has impacted some of the large contractors. There does not appear to be a lot (again number and construction value) of these projects in the immediate pipeline, which is concerning. Because of this, it is hard for large contractors to commit permanent project teams to Northland with such an irregular stream of projects. These contractors have probably found things toughest over the last year, due to the lack of projects of scale. Councils are generally being more flexible around start dates of contracts (and have had to be due to lead times and capacity). In many cases they are now indicating dates that works must be completed by. This allows contractors to programme works into their schedule more effectively.

We have concerns around the cyclone relief projects and how they will be procured. The talk from council is positive, but we are yet to see what that looks like.

The potential major opportunities in the Northland market from an infrastructure perspective seem to still be talked about but not actioned, \$7b is the number used, but we are unsure what this is made up of.

Engagement with some members can be challenging with main road closures, and travelling is time consuming to attend meetings. We are trying to host more further north, but keeping the balance between local engagement, attendance and travel is difficult.

Branch membership has grown in the past financial year. We are thankful to our contractor members, branch associates and national associates that continue to strongly support the branch.





City Rail Link Wastewater Diversion - Universal Underground

The industry's response to climate change will be an increasing focus and major challenge for years and decades to come. CCNZ will play a key multi-faceted role in this.

# Auckland CHAIR: PETER ENSOR

**C**NZ Auckland Branch has come out of the pandemic with a refreshed and positive approach to all challenges.

Recent severe weather events, changes to standard 3910 construction contracts and opportunity to engage with major clients, as well as networking, have proved to many the important role CCNZ plays in supporting the industry. This has seen the Ellerslie branch events continue to attract between 280 and 400+ consistently.

It was enormously pleasing to celebrate both a Regional Excavator Operator Competition (after Covid cancellations) and our annual CCNZ Auckland Branch Hynds Construction Awards. There was deserved praise for all entrants and the many winners in these two events.

Another major achievement has been the implementation of Health and Safety 'Sharing the Good Stuff' awards to encourage the sharing of innovative ideas to improve the industry and the safety of all associated with this great industry. A Service Award was made at the AGM to Graeme Scott for his many years of dedication to the committee.

Our Northern Regional Manager Calum Twist, Branch Secretary Joyce Tilbrook and Branch Events Co-ordinator Kimiora McKenzie-Downes have done much of the heavy lifting for the team over the year, and I have been ably supported by the Auckland Branch Committee. After two years at the helm, I am pleased to hand over the reins to Hugh Goddard, an SME contractor I have known since 2005 and have tremendous respect for.

New members join our branch each month. Providing a free 'try before you buy' experience at our Ellerslie general meetings allows potential members an opportunity to see one of the many benefits the modest membership fee provides. Networking is an important factor to grow business, as well provide a muchneeded break to chat and discuss all that's great and challenges in the industry with likeminded individuals.

Cashflow, operating expenses and debt are vital instruments



AUCKLAND -

for us all to manage closely as we head into several guarters of recession induced to curb inflation. While supply chain and price escalation challenges have eased, and contractors have seen clients starting to discuss correct risk allocation, there remains much to do in this space. Several companies will find times difficult as we all look to replenish stressed balance sheets.

Maintaining an experienced and skilled workforce continues to present challenges for all. Recruitment of skilled migrants remains difficult. EPIC and school-based promotions are slowly changing the mindset of parents and school leavers that we are a great industry to be a part of, but this requires strong on-going support to continue making a difference.

The weather has proven more than a challenge for many 'trying to make hay' while the sun shines over our meagre summer period. The industry's response to climate change will be an increasing focus and major challenge for years and decades to come. CCNZ will play a key multi-faceted role in this, by providing a level-headed, independent response to material selection and 'value for money' solutions.

We are conscious of looking after the full range of members within our branch. With Auckland's travel times, not all can make our large Ellerslie event, so, we have commenced smaller pub events in the four corners of Auckland and encouraged all contractors, particularly SME's to reconnect with friends in the industry over a beverage and bite to eat. This had mixed success and needs further development.



Photos from the CCNZ Auckland Branch Hynds Construction Awards 2022

Our well-established Branch committee members have benefited from new entrants who have ably supported our eight existing subcommittees and three recently established, being young contractor (under 35), small to medium and broader outcomes.

The longstanding subcommittees have been well led and achieved many of the lofty objectives set 12 months ago. The new subcommittees established during the year will benefit from further development of their purpose to provide members with their full benefits as they grow from great ideas to be worthy additions to our subcommittee suite.

Our new subcommittees have been very active and successful, with the Young Contractors' group hosting two networking events - each attracting over 100 RSVPs. The Broader Outcomes Subcommittee organised a very successful branch event with topical presentations offering practical suggestions and guidance for our members. This evening attracted over 300 registrations.

Auckland Branch are excited to be 'hosting' the National Conference in August and will lend a 'shoulder to the wheel' wherever we can to assist.

I would like to acknowledge the efforts of the 26-strong committee who volunteer time to engage in our sub-committees and provide excellent support for the Auckland membership base. Reflecting on the objectives set in July 2022 we can be pleased we have met and exceeded the majority, all while keeping a smile on our faces, and our day jobs. 🛹





Mill Road Pump Stations No 1 & No 2 upgrade – Brian Perry Civil

Financially, the branch remains in good shape, with reserve funds remain parked in a number of term deposits. There is often discussion on how we might put this money to good use.

# Waikato CHAIR: ADAM PLIMMER

he construction industry in the Waikato continues to grow as population increases and delays caused by covid abate.

With the recent opening of the Hamilton Section of the Waikato Expressway and the Ruakura Inland Port growing at pace, this has stimulated civil construction opportunities on the eastern side of Hamilton, as evidenced by a new McDonalds and Taco Bell springing up on the side of the expressway at Ruakura.

Elsewhere, whilst the residential market has slowed significantly, the Peacockes infrastructure investment by HCC continues with major packages now being let and developers expected to commence in 12-18 months' time to build 10,000 proposed houses in the area.

Morale seems good, discussions at meetings are professional and constructive and a 2023 schedule of events has been tabled to ensure we meet the expectations of members. A re-organisation of the executive committee is currently underway. The purpose being to ensure all exec committee members are active and engaged in the branch, there are clear expectations and workload is equally shared amongst those present.

Financially, the branch remains in good shape, with reserve funds remain parked in a number of term deposits. There is often discussion on how we might put this money to good use and we now have a Finances and Investments sub-committee working on initiatives such as scholarships and funding for youth leadership programmes.

Last year I wrote about inflation, price escalation and material shortages. Whilst inflation remains high, there are signs supply is now keeping up with demand for NZ manufactured products. Net migration into NZ is increasing and there are signs the recruitment market is loosening up in the region.

The branch recently hosted a briefing session on water reform for the DIA, Hamilton CC, Waikato DC and Waipa DC. The general consensus is a 'watching brief' whilst local and central government



Peacocke Northern Transfer Mains - CB Civil

tussle over who owns what and where funding will land.

Last year, I also reported on the challenges of managing business' in high inflationary times as being challenging. Now we have recession looming, in addition to a busy market which is generally causing projects to be delayed in the design and procurement stages of their cycle. So, we expect stress on businesses that are not managing cashflow well or do not have good visibility of their pipeline of work.

Members are still seeing escalation clauses in contracts and most larger clients seem open to various avenues of payment for this. Keeping good records and ensuring you are having these conversations with your client are important.

Where a contract excludes escalation, be wary and tag escalation to be included, or add an allowance for escalation and tag what that value is. An alternative is to propose a more evidence-based escalation mechanism, as opposed to index related.

Our continued support and encouragement in the industry for operator skill and profile is resolute with the funding and running of the Excavator Competition each year, with last year's event being pushed out to December due to the postponing of Fieldays.

Our 2022 awards dinner was held in July at Claudelands Events Centre with a record 270 attendees. The 2023 event is scheduled for 11 August and will remain at Claudelands to accommodate these greater numbers.

The regional excavator competition was rescheduled to December to tie in with Fieldays, meaning a smaller turnout of punters than usual. It was again a roaring success for us and the competition was oversubscribed, so much so that we are considering increasing it from two to three days to accommodate all entrants. It was again delivered in conjunction with CCNZ Bay of Plenty.

Ongoing issues for the region include lack of visibility of the pipeline of work, which is simply not getting any better, tender validity periods which do not match what the supply chain can deliver, busy clients delegating contract negotiations to lawyers and/or consultants who have no intention of building relationships or partnering for long term growth, a lack of appetite from local government agencies to partner and/or explore more creative ways of letting contracts and a lack of surety of programme for projects, which seem to be continually delayed due to design and procurement issues.

Severe weather has also impacted some parts of the region. Special thanks goes to those contracting members associated with cleaning up the aftermath of cyclone Gabrielle. This often means working long hours, clearing debris and slips from roads – some of which are still moving. The rebuild work in the region is ongoing, with a major slip still preventing the opening of the SH25a Kopu – Hikuai Road.

We welcomed Emma McPherson into the Branch Secretary role this year, and she has taken the job by the scruff of the neck and will not let go! She is sincerely appreciated, as without high performing branch secretaries like Emma, our organisation would not be able to perform as well as we do.





Sheridan Fathers of EPL Construction winning the first CCNZ Bay of Plenty Women in Construction Award

Bay of Plenty Branch held its first awards evening in Tauranga at Trinity Wharf in October. This was a huge success, with a large number of sponsors, entries and attendees.

# Bay of Plenty CHAIR: GERRY MCLAUGHLAN

The Bay of Plenty Branch is in good health and we have had good attendances to our events held over the last year.

Our membership has remained reasonably static. While we gained a few new members and associates a few have also resigned. These were members we were not able to engage in any way, despite multiple attempts.

Bay of Plenty Branch held its first awards evening in Tauranga at Trinity Wharf in October. This was a huge success, with a large number of sponsors, entries and attendees. The demand for tables exceeded our capacity so for our 2023 event we have moved to a larger venue at Classic Flyers.

We hosted a number of Mates in Construction training sessions throughout the year. One of our proudest achievements as a branch was the Mates in Construction Golf Challenge, which raised over \$30k for charity. It is likely we will look at a similar event again this year, now we have a format that appears to work exceptionally well. Note, there is no reason why our concept couldn't be used by other branches to also run a fundraising or charity event...

The CCNZ BOP Fishing Competition was held in April 2022. This event is in its 13th year, and it continues to be a great success that is well-supported by both members and sponsors as a great networking opportunity.

Branch finances at year end are a little below previous years, partially due to the number of Mates in Construction and branch events we have put on in an effort to engage our members. There is a significant cost to each event with venue hire, catering and refreshments. We do not charge attendees for our branch meetings. More effort will be made in the upcoming year to secure sponsorship for branch meetings.

The CCNZ CablePrice Waikato Bay of Plenty Regional excavator competition was again well supported by businesses throughout the Region. Marni Kemp of Central



The CCNZ CablePrice Waikato Bay of Plenty Regional Excavator Operator Competition

Demolition took out first place for Bay of Plenty at Fieldays, also winning the Humes MVP Award at the National event. Marni demonstrated a willingness to chip in and help others out as well as all round positive approach through the event. The award recognises teamwork and goes to the person judged to be the one you'd most want to have working by your side. We would like to extend thanks to the Waikato Branch for helping accommodate our participation in their event at the Mystery Creek Fieldays.

We also helped a small community project in Te Puke, where a carpark was refurbished for a charitable trust whose ambition is to feed kids at local Primary Schools – so they have the fuel to be able to participate constructively at school without hunger preventing their learning capacity. Later this year it is likely that we will also help this Trust with the next stage of their expansion – for which we will be calling for support from a wider group of our branch members. We expect this to be a valuable investment of our time, and another great team building event.

Challenges for the region's contractors include lack of labour resources, material and fuel increases and housing affordability. There is a lack of presence at meetings and events from some of the large contractors within the Bay of Plenty. Fostering their buy-in and support for the wider industry will be a focus for the group in the coming years

Regionally, residential development has noticeably

dropped away, with more small infill developments being considered – although still hard to make work financially. Two major development areas (Tauriko West and Te Tumu) are getting closer to market, with enabling work for Tauriko West likely to be underway later this year and Te Tumu potentially still a few years away.

Demand for commercial land and development is still fairly strong, and appears to be somewhat immune to cost of living and interest rate pressures.

In terms of council clients, Tauranga City Council is still managed by commissioners, which is keeping Tauranga moving forward. They have secured significant funding for transport, waters and amenity upgrades. In the Western Bay of Plenty, there is investment in urban growth areas North of Tauranga (Omokoroa). Whakatane District Council is investing in core infrastructure while Rotorua & Kawerau District Councils are exploring significant water and local road investments.

There are also some reasonably sizeable projects ongoing with Waka Kotahi NZ Transport Agency – namely the Takitimu Drive (Northern Link), Tauriko West State Highway 29 Improvements, Papamoa Interchange, Safety Road improvements in the Eastern Bay, 30 Improvements through Rotorua.

Finally, thank you to CCNZ Northern Regional Manager Calum Twist for his involvement within the Branch, and to Kat Chantler our Branch Secretary – your work is appreciated.





Maui Gas Pipeline – First Gas

The branch is in a healthy position with little spending required thanks to the help from sponsors for our meetings and no regional excavator operator competition taking place this year.

# Taranaki chair: joe ingram

Branch membership has remained steady over the previous year. The local market remains buoyant with a number of Waka Kotahi works having both started and in the pipeline for the coming year. These mainly being the Mount Messenger bypass, several roundabouts construction works as well as some highway safety improvement contracts.

Subdivision and commercial works continue steadily, however we are starting to see a slow in residential construction, which is noticeable for local builders, plumbers and electricians, something we haven't experienced for a number of years.

The branch is in a healthy position with little spending required thanks to the help from sponsors for our meetings and no regional excavator operator competition taking place this year, with past champion Shaun Curtis from I&D George going on to represent the region at nationals.

We held a regional awards night in December. Dign4U was presented the award for outstanding project for a rock placement and stream realignment job in the Kapuni stream after a glowing recommendation by the client Todd Energy and the local regional council.

We had a great turnout of members to our Mount Messenger presentation, and we hope to hold more of these as well as a site visit in future as the project advances. We also had a large turnout for a Mates in Construction presentation.

Member participation and engagement remains a challenge, however the high number of attendees for our Mount Messenger bypass presentation shows that when holding an event which holds a lot of interest, participation can be great, so it's something we can work on.

A number of one-off three water contracts are coming under the umbrella of the New Plymouth District Council's 10-year infrastructure works programme, which has meant some members who are not working for the main contractor



Mount Messenger Bypass tower site, looking towards the south anchors just before the installation of the tower

miss out on the opportunity to tender for some works, even for the types they would excel in.

The Taranaki Branch would like to acknowledge the passing of one of our active life members Graham Harris who passed away on 13 October 2022. Both the family and the branch were very appreciative of CCNZ National Office, in particular Grant Radovanovich and Fraser May for their involvement in both Harrie's funeral as well as the write up in Contractor Magazine which followed.

Also, congratulations to another one of our life members Ross "Possum" McEwan, who was presented with the 2022 Industry Service Award at the National awards – a popular recipient for his tireless years serving the Taranaki Branch.



The Mount Messenger Bypass – Downer, HEB, WSP and Tonkin + Taylor







Gisborne District Council – Fulton Hogan

We are still steadily growing as a branch with 45 full members and 13 associate members, making us one of the larger membership regions, especially provincially.

# Hawke's Bay East Coast CHAIR: BART MULDER

t's been another mixed year for Hawke's Bay East Coast Branch. Finally, we felt things started settling down after the pandemic and all its interruptions for the last few years, and then in late January we experienced cyclone Hale, which did widespread damage to the region and put large workloads on all aspects of civil and construction.

Following this we experienced something like no other – Cyclone Gabrielle – a month later. Infrastructure, farmland and waterways at capacity saw their demise in this weather event dubbed the 'worst weather disaster in more than 50 years'.

Our region has done a great job in the clean-up efforts to date, and we have had huge amounts of generosity from outside companies coming and mucking in which we are hugely grateful for. Our region will be in a recovery phase for years to come.

We are still steadily growing as a branch with 45 full members and 13 associate members, making us one of the larger membership regions, especially provincially. We are proud of that. We have had a steady stream of new members over the last twelve months with eight new full members and five new associate members.

We held eight meetings through the year, with only one open meeting due to the disruptions around covid and storms. We remained strong financially and have a strong committee which we reduced in size to create stronger participation and formed subcommittees to assist in their various roles which has worked well for us. We are trying to make ways to include our members better with more open meetings and social gathering moving forward.

Our annual Terra Cat night got a revamp this year with a change of venue to include our members in Gisborne and Wairoa. After 25+ years in Waipukurau at the Leopard Pub, we moved to East Pier in Napier, which was certainly a step up in venue calibre.

We held our Regional Excavator Operator Competition in



Cyclone Gabrielle response works

conjunction with Trucking for Child Cancer. This was the first event since Covid, and it was great to see a good turnout. Dan Mepham took out the prestigious rights to represent the region for a third time at a national level.

We held our end of year Gala dinner in November again smashing yet more records, we had 180 people attend and a staggering 23 construction award entrants, again HBEC showcased some extraordinary jobs, creating a challenging task for our judges.

As Chairman of our branch, the past few years have been very challenging between natural events, pandemics and anything else the kitchen sink threw at us. I enjoy this challenge and my personal development has been huge. I continue to grow into this role with my committee.

I feel very lucky to have great support in our branch

having the CCNZ Chief Executive, Central Regional Manager and the President in our region to lean on in these hard times. Without these people I would certainly fall short of my responsibilities at present with the state of play currently. It will be some time before we are back to BAU.

We anticipate another topsy turvy year for our branch. Winter is setting in and will bring new events and challenges and we remain mindful of our members, we need to look at this as a marathon and not a race, we run the risk of burn out, failures and mental health issues. We want our members to be safe out there, so my message for all is that if you need help, ask for it or talk to someone. Sometimes just someone listening is all we need to recharge and change mindsets.

Be safe and be strong, Hawke's Bay East Coast. 🜌





Work on the three concrete piers for the 300 metre long Parahaki Bridge over the Manawatū River

The merger of Whanganui with the Manawatū branch to form the new Manawatū-Whanganui CCNZ branch has been a great success. A new committee has been set up which will stay in place until the AGM in the middle of this year,

# Manawatū-Whanganui

The big news for the branch was the merger between Manawatū Branch and Whanganui Branch to form our new Manawatū-Whanganui branch, as of November 1, 2022. This followed a vote from each individual branch before being presented to the National Executive Committee at their meeting on 29 September.

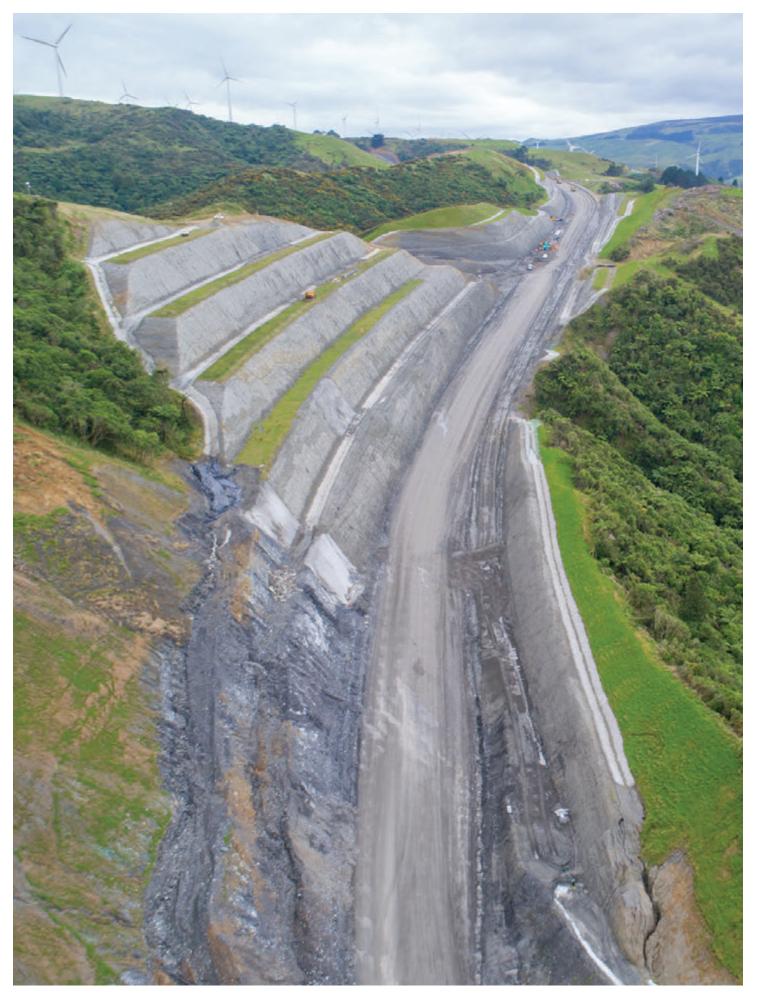
A new committee has been set up which will stay in place until the AGM in the middle of this year, meeting at the end of every second month over Teams. Branch get-togethers are held roughly two weeks after the committee meeting and are a lot less formal.

The merger of Whanganui with the Manawatū branch to form the new Manawatū-Whanganui CCNZ branch has been a great success. It was also brilliant to run the CCNZ CablePrice National Excavator Operator Competition once again, with crowning defending champion Troy Calteaux taking out the honours. Another very well executed event, run by a small enthusiastic crew.

In terms of regional works and issues, the new Gorge replacements earthworks are nearly complete, however there is still the pavement work to be carried out so there will be a lot of resources needed for completion of the highway. Then the ring roads connecting the highway with the rest of the region need to be completed, as well as the new rail link centre near Bunnythorpe, so there is still plenty of work to go around. Staffing issues seem to be the major issue that's keeping everyone on their toes.

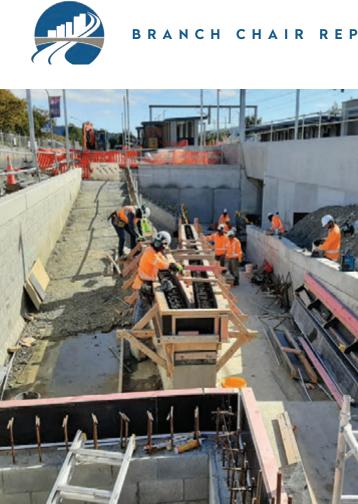
Both branches were in a good position financially and this continues with the merged branch. Holding successful regional and national Excavator Operator competitions has always been of assistance, and we are looking to give back to members and the community, where possible.

Like many organisations nowadays, we would be unable to run things without the many volunteer hands that make a branch successful, and for this we are very appreciative.



11.5 kilometre Manawatū to Tararua Highway (SH3) – HEB Construction





Electrification of the Trentham to Upper Hutt rail line

While there will be challenges ahead, not the least of which will be securing the personnel necessary, civil contracting in the Wellington Wairarapa region continues to be a good place to be.

# . Wellington Wairarapa

CHAIR: NOEL SULZBERGER

or many in the Wellington/Wairarapa region's civil contracting industry, the year seemingly came and went in a blur. A reflection of the continued demand for services as experienced in the two, perhaps three, previous years.

While we are fortunate Covid-19 no longer directly impacted on business, lockdowns etc, the downstream effects, particularly staff shortages have impacted across the board.

Our branch contractor members have again completed many and varied projects and the prospects for continued opportunities, especially in the broader infrastructure space, remain high.

Branch membership during the year has seen significant growth. The financial performance of the branch during the year was very positive and the financial position of the branch was extremely solid. In respect of this I acknowledge the contribution to sponsoring branch meetings made by associate members. Thank you to all contributors.

The move to Judgeford Golf Course for branch meetings has resulted in an increase in attendance while the branch meeting held in the Wairarapa was also well supported. Thank you to all branch members who have supported the branch by way of attending our meetings.

The 2022 branch awards evening was a great event, showcasing a broad array of projects from across the branch region. It requires a concerted effort to put together an entry for the annual awards and all entrants are to be congratulated. Category award winners all displayed total attention to detail and the ability to complete projects against a background of challenging environments, conditions and resources.

The branch executive committee welcomed two new members for the year in Marianne Archer and Matt O'Connor, after Phil (Buck) Milson and Andrew Burgess resigned. The executive committee has continued with a mix of contractor



Transmission Gully Channel Drains- PCL Contracting

members from all tiers and associate members. Laura Hae Hae has continued as branch secretary and as previously has supported tremendously the executive committee and the branch at large, and we are fortunate to have her ongoing support. Thank you, Laura.

National Office continue to support Wellington/Wairarapa branch, by way of attendance at branch meetings, and support with technical issues. As with the previous year thanks must be extended to CCNZ Central Regional Manager Grant Radovanovich for his support of both our branch and of individual members.

While across the branch region economy there are changes happening, notably the reduction in activity in the residential property development sector, our sector remains in demand.

Cleanfill is an ongoing Wellington-Wairarapa issue. Regional and local councils have progressed an agenda of recycle or reuse as part of overarching environmental welfare strategies, and the Wellington (not including Wairarapa) region has in essence one cleanfill disposal site, with smaller sites accepting certified material that can be structurally engineered and general refuse sites accepting the remainder at substantial cost.

While the environmental strategies are commendable, they are coming at a significant financial and environmental cost in terms of long-distance transport and CO2 emissions. The Branch continues to gather data for presentation to local councils.

Despite this and other challenges such as labour supply, at the start of this report I referenced that future prospects for civil contracting remain high. A review of media reports the day after the Labour Government's Budget of May 2023, recorded no fewer than 17 references to infrastructure, whether it was underground (water, drainage, sewerage) overground, (roading and rail), or specialist (port development, energy). All of these types of work exist in the Wellington Wairarapa region, with most, if not all, requiring civil contracting input for many years.

While there will be challenges ahead, not the least of which will be securing the personnel necessary, civil contracting in the Wellington Wairarapa region continues to be a good place to be.





Recently-opened recreation space at the beachside suburb of Tahunanui in Nelson – Taylors Contracting Above (from left): Melissa Hart-Seidl (former Taylors Jnr site engineer); Blair Palmer (machine operator); Robbie Swarbrick (Nelson Civil Department manager); and Charlie Taylor, director, Taylors Contracting

Like last year, we had excellent support from our three councils for the local civil construction sector by bringing work forward and ensuring a steady work output.

# **Nelson** Marlborough CHAIR: BRENDAN DODD

This has again been a complex year for all our members, with the rapid changing of local markets and some parts of the private sector pulling back in early 2023. This has allowed other clients, like local councils, greater access to region's industry and resources.

While workloads are more manageable, some members have reported gaps in the job book going forward. The extreme weather events of the past 12 months provided more work than reasonable to manage at times, but the depth of our contracting group came to the fore, standing alongside each other to get the roads and infrastructure repaired (or at least open).

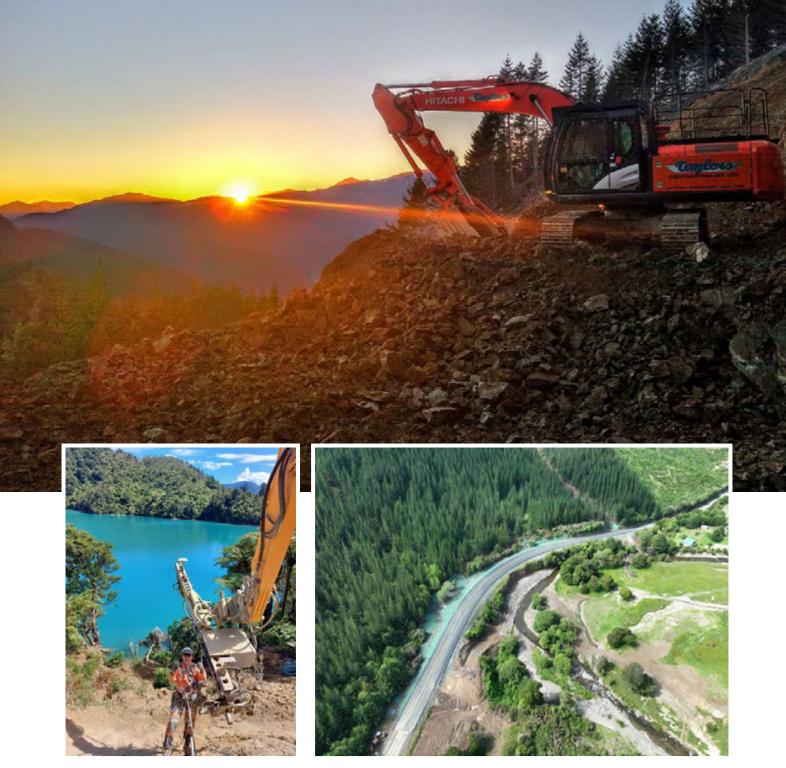
Like last year, we had excellent support from our three councils for the local civil construction sector by bringing work forward and ensuring a steady work output. Direct procurement continues to be positive, with councils delivering more projects than in than past and getting better bang for their buck.

Private civil construction in Marlborough continues to provide strong workloads outside of the local and government pipeline of works and this looks to continue for at least another 12 months.

As with last year, labour resources (and the lack thereof) have been a lowlight which is now slowly showing some positive change with skilled migrant staff starting to filter through to the industry. We can only hope with border restrictions easing there will be a continued addition of skilled operators, drainlayers and builders coming to Marlborough and Tasman over the next year!

Waters reforms, the review of the RMA and review of 3910 are all some cause for concern as to how they are all going to be able to integrate, given the quickly changing political views and landscape.

The biggest concern is whether councils now have the funding to deliver the projects that were ready for 2023-24



Top: Dan Lane of Taylors Contracting captured the first ray of sunlight when working on a forestry road near Nelson Above left: The depth of our contracting group came to the fore, standing alongside each other to get the roads and infrastructure repaired Above right: SH6 Nelson Remediation Works 2022

and 2024-25. We will wait and see what comes of the new format of ten entities.

We as an organisation will need to be at the forefront of this and assist in driving the good industry behaviours that need to be implemented to be effective and change for the better.

We are looking forward to our bi-annual Awards this year. With a slightly changed format this year we look forward to the quality of entries again as they just get better every year. Already we are getting interest in next year's awards, and it looks like there are some interesting projects to put forward.

I would like to thank Eve Cooper who has taken on the role as South Island Regional Manager and the excellent support she is giving to our region and executive team.

I would especially like to thank committee members and our secretary who keep making a considerable difference and strong gains for our branch each year. A huge thanks goes to all our sponsors who continue to support us and without whom we would struggle to run our branch effectively.





Westland Milk Products Ocean Outfall - McConnell Dowell

Our committee has gone above and beyond in their efforts to provide value to our members and associate members this year, and we are grateful for their hard work. Many members have committed considerable time to the cause.

# Canterbury Westland CHAIR: SAM PATERSON

The Canterbury Westland Region experienced a busy year, despite the prevailing negative sentiment around inflation. It is interesting to note the volume of work being delivered across the region has remained consistent.

The committee has continued to add value to its members and associate members and has successfully delivered a large social calendar based on speakers, social events and workshops.

The Regional Excavator Operator Competition (REOC) was held with support from CablePrice at the Road Metals Quarry, with Daniel Pule of Utilities Infrastructure New Zealand taking out the overall win. Thanks goes to Paul Curry of Higgins and the other committee members who organised and ran this fantastic event. Owing to unavailability, Isaac Wrigley of Texco represented Canterbury Westland at the CCNZ CablePrice National Excavator Operator Competition. As a newcomer, he performed impressively, securing fifth place overall.

After a few false starts throughout the pandemic, the annual Contractor of the Year Awards evening finally occurred in person under "normal" conditions. Many thanks go to the Contractor of the Year organizing committee, in particular Emily Peacock, who spent countless hours pulling off the event. A good number of awards entries were received, reflecting the amazing work being delivered by members across the region. Thanks also to all sponsors that supported us, as well as the major sponsors Hynds and Hirepool.

The branch is in both a strong financial and membership position, with 79 contractor members up from 69 and associate members up from 34 to 40. Branch finances remain stable, with plans to invest profits (once the accounts are finalised) back into our members over 2024. The local Connexis Scholarships for members will be restarted in FY24, and several initiatives will be presented to members during the AGM for their vote.



Top: Jackson Bay Causeway Upgrade - Isaac Construction. Above: Hirepool Award Winner - CORDE - Waimakariri District Council

There is general concern across the region around staff and ever-increasing competition for the limited resources available. The pipeline visibility is limited, with no significant investment from NZTA planned and a quietening property development market. The industry needs stability to ensure that the right decisions can be made for businesses. CCNZ National will be expected to continue to advocate and communicate information related to this issue to the region.

Our committee has gone above and beyond in their efforts to provide value to our members and associate members this year, and we are grateful for their hard work. Many members have committed considerable time to the cause, surpassing our expectations. We hold monthly meetings to offer support, raise concerns as advocates for our members, and organize events to inform and upskill the industry. We extend our gratitude to our associates and sponsors for their support, and to our members for their continued engagement in our efforts.

Special recognition goes to Eve Cooper, our new South Island Regional Manager at CCNZ, who has wasted no time in getting into the weeds and finding ways to make our branch more impactful and improve processes. She also graciously offered support for our COTY event, which is always a big event to organise.





Drilling pile foundations for an abutment for the Clutha River bridge at Beaumont – HEB Construction

The local market remains buoyant right across the region, with plenty of opportunities presenting themselves, including central Dunedin city urban and hospital upgrades.



t has been a solid and successful year for Otago Branch. Despite major challenges this year the branch has really come together and supported our events, we have had great engagement and members feel valued to be a part of CCNZ Otago.

Events run by the branch have been well supported both in Central Otago and Dunedin. Engagement down in Dunedin has always been a challenge however we have seen a vast improvement.

The local market remains buoyant right across the region, with plenty of opportunities presenting themselves, including central Dunedin city urban and hospital upgrades, the Waka Kotahi Beaumont Bridge Replacement, and Kā Huanui a Tāhuna Alliance works. Additional to this, the development market remains strong especially across the Queenstown Lakes and Central Otago Districts.

A buoyant market is great; however it also requires a large workforce. This is currently not available within the region. To overcome the challenge, we are finding contractors are joining forces on a number of contracts and combining delivery.

The positive is the labour market has settled, the borders are open, less existing employees seems to be moving and wage increase pressure appears to have slowed. This is interesting considering the increasing interest rates. This could be linked to many of the workforce not coming off their fixed term mortgages, or realising the market is changing and deciding staying where they are with a good company is better than trying the market for a few extra dollars and being the 'last in, first out' when things slow down.

Increased costs of undertaking works continue to prove challenges with rising costs of materials and rising labour rates to retain good employees. A number of contractors across the region are expecting a downturn in the next



Top: A new two-lane bridge is being constructed over the Clutha River at Beaumont – HEB Construction. Below and right: Troy Calteaux from Otago emerged as 'top dug' at the 2023 Civil Contractors NZ CablePrice National Excavator Operator Competition





12 months in the private sector; housing and commercial development, caused by rising interest rates, in fact most are stating they are already seeing it. Their hope is any reduction in the private sector will be taken up by the widely publicised infrastructure deficit that New Zealand is facing.

A number of factors appear to be delaying spend or even currently in short-term reducing spend, including money diverted to the rebuild in the North Island after the recent weather events to try to avoid inflationary pressures caused by the money sent to the rebuild, the cessation of central government money for 'shovel ready' projects and councils facing pressure not to increase rates due to the cost of living crisis whilst incurring increasing costs themselves, making it even harder to find money for projects.

Uncertainty in the water reforms proposal is causing some councils to hold off on work, and the latest proposal 10 entities includes a \$1b reduction in borrowing for the works required. So, it appears we have a reduction in the private sector already taking place and no increase in public spending to take up the shortfall.

Of the larger contractors, most have full order books for the next 12 months, but for the SMEs it's more like 3-6 months. The smaller SMEs are starting to get nervous. Many of the new players came to the market offering a speciality, such as just drainage or roading or retaining walls. They have also not done a lot of tendering with Alliance or Panels schemes created in response to covid workload taking them on a time and materials basis. Their plan is to diversify and start to tender direct to councils to try and fill the order book.

We would like to acknowledge our secretary Anna Pawsey who has become familiar with her role over the past 12 months and drives the committee to ensure we are delivering value for our members. A special thanks also to the Otago Executive team who have put a lot of planning, time and after-hours commitment into the branch to make it through the year.







Homer Tunnel Resurfacing Works - Downer NZ

Our committee and branch members continue to be involved with any industry careers promotional events and are still utilising the EPIC and Civil Trades resources to support us in doing so.

# Southland CHAIR: NICK RILEY

For some, time flies when you're having fun. For others it goes by even quicker when the pressure's on and work demands are high. Time is the only constant in our world, but all other aspects including contracting are continually changing – and therein lies the challenge.

At the coal face, another dry summer in the deep South has benefited most contractors. It has allowed good productivity to get through the core workload and therefore giving more opportunities at the end of the construction season.

Within the branch committee, it feels like the tyres have been a little flat in the last 12 months, a Covid hangover as such. We are therefore currently reviewing and refocusing where our time and resources give best value for our members and local industry.

Being a smaller branch with widespread members, we do not have strength in numbers to continually drive home the benefits of CCNZ membership, although we have always made them apparent. We are aware our members have been focused on their businesses of late but want to assure them the branch is focused on supporting them and delivering the best outcomes.

Our committee and branch members continue to be involved with any industry careers promotional events and are still utilising the EPIC and Civil Trades resources to support us in doing so. Our main opportunities are with secondary schools and while those entering the workforce do not fill the shortage of skilled labour, we know our time and efforts are not in vain.

Local works under the water reform stimulus package are near complete. This model has been a challenge for all involved with many learnings along the way, but overall, the advanced delivery of various infrastructure projects cannot be downplayed.

Some are concerned there will be an unbalanced shift



REOC winner Brendan Ferguson - Fulton Hogan

and centralisation of leadership with the Government's water reforms, that may undermine local decision making and knowledge/skills base. This may have an overall impact on regional areas ability to retain key staff to manage and deliver work effectively.

The branch is in a strong financial position with longterm savings maintained and untouched for many years. We will look to review our long-term strategy regarding the management and potential use of these funds for the benefit of the local members and industry.

On the back of all businesses reviewing expenditure and sponsorship we have taken it upon ourselves to not seek regular sponsorship and instead self-fund most branch events and activities over the last period. We would like to thank those who continue to support CCNZ at a national and regional level.

In late January we held our CCNZ CablePrice Regional Excavator Operator Competition for the first time on an annual basis, at the new venue of the Winton A&P show which was a great success. It was great to have exposure for our industry in a new environment and an opportunity for talented operators to compete, with the main driver to ensure our region's top operators have the chance to represent at Nationals and grow from their experiences every year instead of biannually.

The delivery of Temporary Traffic Management is an absolute headache on all levels! We are committed to the safety of our industry and the public, but we have the feeling it's the tail wagging the dog currently. The power and influence over the projects some Local Authority staff have is driving experienced staff out of our industry. We would like to see some focus (from a CCNZ National level) around the simple smaller scale and rural works that happen every day.

Employing and retaining skilled staff remains a major challenge. While long term industry strategies are in place and a strong focus, businesses need to first look internally to make sure they are able to offer a complete package. Potential employees are looking for added benefits in light of rising living costs and also place high value on a good worklife balance.

Looking forward, the branch calendar is filling up, with a good range of events and activities planned throughout the year. Thanks to all our members, sponsors, associates, committee, and CCNZ. Together we continue to make great positive change in our industry.



# Key people Civil Contractors NZ positions held in 2022-2023

### **National Office**

CHIEF EXECUTIVE Alan Pollard TECHNICAL MANAGER Stacy Goldsworthy MEMBERSHIP & EVENTS MANAGER Nicola Hakes COMMUNICATIONS AND ADVOCACY MANAGER Fraser May OFFICE AND CIVIL TRADES ADMNISTRATOR Heather Clayton ACCOUNTS & FINANCE Geeta Unka WORKFORCE DEVELOPMENT MANAGER Rebecca Fox REGIONAL MANAGERS: NORTHERN Calum Twist CENTRAL Grant Radovanovich SOUTHERN Eve Cooper

#### Northland

SECRETARY Helen Smuts-Kennedy CHAIR Kylie Wech

#### Auckland

SECRETARY Joyce Tilbrook CHAIR Peter Ensor EVENTS Kimiora McKenzie-Downes

#### **Bay Of Plenty**

SECRETARY Kat Chantler CHAIR Gerry McLaughlan

#### Waikato

SECRETARY Emma McPherson CHAIR Adam Plimmer

#### Hawke's Bay East Coast

SECRETARY Kristina Salmons CHAIR Bart Mulder

#### Taranaki

SECRETARY Lakein Cottam CHAIR Joe Ingram

## **Executive Council**

PRESIDENT Bailey Gair VICE PRESIDENT David Howard PAST PRESIDENT Tony Pike EXECUTIVE COUNCILLORS Paul Bisset Mark Evans Jeremy Dixon Orla Gallagher Andrew Spittal ASSOCIATE COUNCILLOR Gary Richardson LEGAL ADVISOR Paul Buetow

#### Manawatu

SECRETARY Maree Keelty CHAIR Greg Lumsden

#### Wellington Wairarapa

SECRETARY Laura Hae Hae CHAIR Noel Sulzberger

#### **Nelson Marlborough**

SECRETARY Megan Gibbins CHAIR Brendan Dodd

#### Canterbury

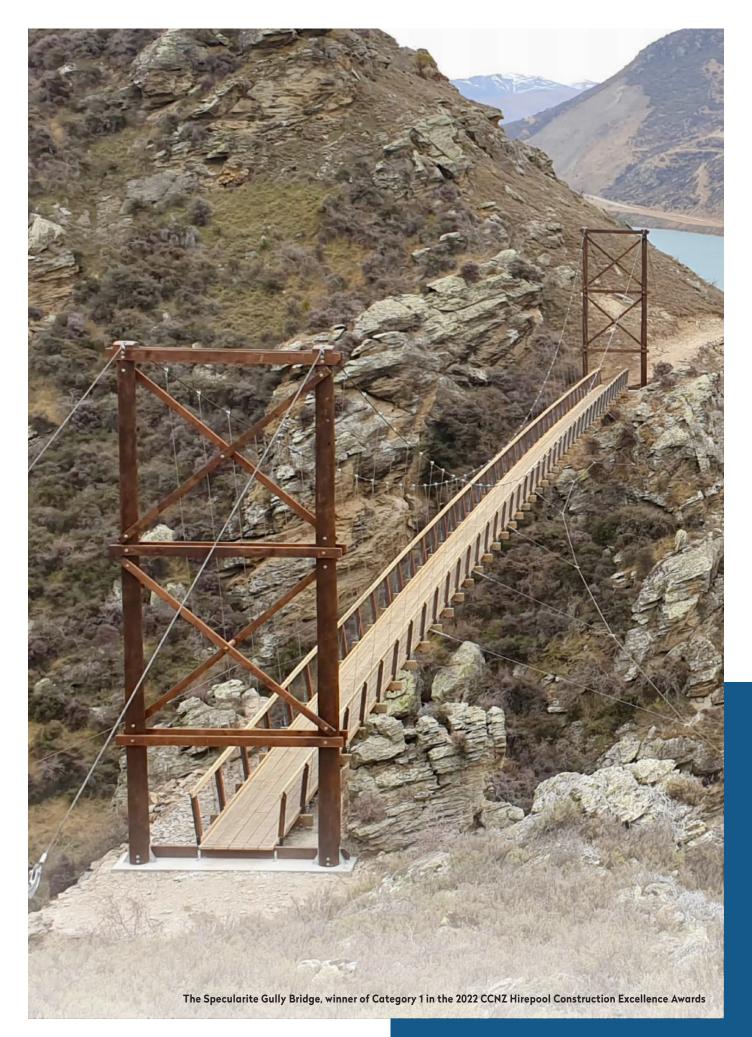
SECRETARY Jane McSkimmings CHAIR Sam Paterson

#### Otago

SECRETARY Anna Pawsey CHAIR Scott Shaw

#### Southland

SECRETARY Lauren McKinnel CHAIR Nick Riley





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

# **Principal Business Partner**

# Hirepool

#### www.hirepool.co.nz

Hirepool has been the Principal Business Partner since 2004

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

Hirepool has all your hire equipment needs.

# **Core Associate Members**

# Z Energy

#### www.z.co.nz

- Z has been a Core Associate for many years
- Discount fuel scheme
- Z People Awards (Emerging Leader / Personal Improvement)
- National Excavator Operator Competition

# **Dentons Kensington Swan**

#### www.dentons.com

Dentons Kensington Swan is the legal advisor to Civil Contractors NZ

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

# **CablePrice NZ**

#### www.cableprice.co.nz

CablePrice is a major sponsor at national events

Platinum and Naming Right Sponsor of the CCNZ CablePrice National Excavator Operator Competition

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







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大成DENTONS KENSINGTON SWAN

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# CCNZ thanks and appreciates the support of our Major Associate members

# Major Associate members





# Contractor members 2022-2023

## \$0 – \$1 million

A Bevins Earthmoving Ltd Accurate Construction Excavation Limited Acon Industries 2015 Ltd Advance Traffic Management Alex Field Ltd Allens United Waikato 1986 Ltd Anchor Tech NZ Ltd ARC Asbestos Removal & Demolition Areatech Artisan Paving NZ Ltd Ascot Contracting Ltd **ATD Services** B Pull & Sons Ltd Baywide Dingos Beeby Contracting Ltd **Billington Transport Ltd Blake Civil Construction Blenkiron Bros Ltd** Bowe Brothers Excavating **Bradford Excavations** Brian Hoffmann Ltd Broomhall Drainage + Civil **BuildForce NZ Limited** Byfords Construction 2014 Ltd Cape Mowing Ltd Carran Scott Contracting Co Ltd CCA Earthmoving **Chinnery Construction Limited** Chris Gommans Contracting Ltd **Clarke Underground** Complete Site Solutions Ltd **Crooks Contracting Ltd** CS Civil Works D A McNeil Limited **Davis Civil Construction Limited Dawson Corporation Limited** DCL Civil **Dempseys Bobcat Services** Denis Wheeler Earthmoving Ltd Dent Contracting limited **Design Seven Ltd Diggs** Limited Dign4u Ltd Dirtworx Limited DITRAC Done Rite Contracting Doug Hood Mining Limited Doug Symons Contracting Ltd Drapers Earthmoving Ltd Dreadnought Civil Ltd Drum Ex Earthmoving & Cartage Duane Whiting Contractors Ltd **Duncan Earthworks** 

Earth Prep Limited Earth Stability Ltd Exact Earthmoving Limited Excav8 Limited Fissenden Bros Ltd Fox Earthmovers Ltd Galbraith Earthmovers Garden City Drainage & Civil Ltd Genext Ltd Geoff Jukes Contracting Grace Foundation Solutions Limited Graffiti Doctor NZ Limited Graham Civil Limited Greg Inch Earthmoving Hatuma Lime Contracts Ltd Headstart Pavements & Excavations Ltd Heine's Cartage & Contractors Hirst Civil & Cartage Limited Hollands Excavation HR Civil Ltd I & D George Contracting iConstruct Independent Contractors Ltd JAK Civil Hawkes Bay Limited James Lux Developments ltd Jared Bing Contracting JME CONTRACTORS LTD John Fletcher Contracting Ltd John Leathwick Ltd Jones Plumbers Limited Keene Krib 2000 Ltd Kerepehi Transport Ltd Kreisel Contracting (1988) Ltd Lanco Ex Ltd Land And Construction Contractors Ltd Leslie Bros Contracting Limited Linepower Lucas Haining Ltd Luke Glamuzina Contractors Ltd M W Lissette Ltd MAG Civil Construction Limited McCready Civil McDonald Contracting & Construction McEwan Haulage Ltd Mora Earthmoving Mr Dig MRT Construction Ltd Mules Construction Ltd Murray Weston Ltd Newman Excavations **Nivec Civils Limited** Northern Pipe and Civil Limited Northland Mobile Crushing Ltd

Northland Transport Ltd NZ Piling and Cranage Ormsby Civil Construction Paul White Ltd **Pavement Treatments Limited** Petco Contracts Ltd Pointzero Pro Civil Construction Limited Project One Construction Ltd Rae Asphalts Ltd Rangitikei Development Ltd Ranui Construction Ltd Red Dell Limited **Redline Earthworks Renshaw Civil Limited RM** Fissenden Contracting Limited ROBAR CIVIL Robert J Mitchell Contractors Ltd Rocka Excavation Ltd Roil Earthworks ltd **Roxburgh Excavation Rutter Civil Limited** S George Contracting Santo Drainage & Contracting Ltd SBA Civil Ltd Shane Gribbon Ltd Shark Contracting HB Limited Smart Fix Construction Limited Strata Civil limited Streamline Services Swale Earthmovers Swift Civil Services Limited T J CONTRACTING T L Civil Limited Tairawhiti Contractors Ltd TG Civil Itd Three Sixty Civil Limited TRIO CONTRACTORS LIMITED **Troon Civil Limited Turners Contracting Ltd** Vita Civil Wagstaff Piling NZ Ltd Waitakere Tree Services Wellington Contracting Limited Wenham Contracting Wilson & Keen Contracting Wilson Earthmoving Group Ltd

## \$1 – \$2 million

A G Hoffman Civil Ltd Able Trucking Ltd Allens United Drainage and Earthworks Ltd Apes Contracting Ltd **Base Excavations** Bay of Islands Drainage **BDX Group** BM Contracting Ltd BMT Contracting Ltd Bridgewater Group Limited Brough Earthworks Ltd **Brownell Earthmoving** Buckeridge Surfacing & Engineering LTD C W Drilling & Investigation Ltd Cameron Contracting 2002 Ltd Canterbury Demolition & Earthmoving Ltd Cargill Contracting Ltd **Central Demolition** Central Southland Excavating Ltd Compton Civil Ltd Contrax (Central) Ltd **Croskery Contracting Limited** CSL Civil **Davis Civil Limited** Donovan Drainage & Earthmoving Ltd Easyflow Drainage Egypt Limited

Elite Excavations Marlborough Ltd Fahey Contracting Ltd Forte Civil Limited Francis Ward Ltd Futurer Civil Infrastructure **Gallivan Group Limited** Greenstone Concrete & Asphalt Ltd H Blackbee Contractors Ltd Halverson Civil Heads Up Access Ltd HGM Construction Ltd Hill Bros Civil Limited Huband Contractors **Inspector Drains** J C Contracting NZ Ltd Jamieson Earthworks Ltd John Roy Contracting Ltd Johnson Bros Limited Johnstone Construction Ltd Jones Contracting Queenstown Ltd JT Contractors Ltd Kernohan Contractors Ltd LB CIVIL LIMITED Lester Civil and Drainage Mana Civil Contracting Ltd Monk Earthworks Mt Lyford Contracting Ltd

### \$2 – \$4 million

Advanced Siteworks Ltd Aidan Kelly Contracting Ltd Almond Contractors Limited Angus McMillan Concrete **ARC** Projects Atlas Infrastructure & Services Austin Contracting Baldwin Asphalts Ltd Bassett Plumbing & Drainage Ltd Bay Civil Ltd Bryce O'Sullivan Contracting Limited Burnside Contractors Ltd C & A Cox Ltd Cassidy Civil Ltd **Central Machine Hire** CHB Earthmovers Limited Chevin Drainage Civil & Landfill Construction Ltd **Civil Construction Services Civil Projects Limited CT** Civil Limited **Currie Construction** Daniel Renshaw Drainage Ltd Darlington Drilling & Piling Ltd Dodge Contracting Ltd Earthworx Rural & Civil Emmetts Civil Construction Ltd **EPL** Construction Ltd Feary Group

Fuel Installations **Giles** Civil I td Gill Construction Co Ltd Graham Contractors Ltd Graham Harris Ltd Greg Donaldson Contracting Ltd Groundworks Civil Contractors Grouting Services NZ Ltd H & H Contractors Ltd Hawkes Bay Civil Contractors Ltd HB Infrastructure limited HBRC - Works Group Henry Adams Contracting Ltd HES Earthmoving Ltd Hoult Contractors Limited Independent Kerb & Concrete (IKC) Jesmond Construction Jim Bates Contracting Ltd JK Construction Juno Civil Limited Kerbco Ltd King Drilling Company Kstruct Ltd Land + Sea Civil Lltd Linton Contracting Ltd Mackenzie Civil Ltd Matco Civil Contractors Ltd MAXBUILD McCormack Group Ltd

Next Level Civil Northern Drainage Limited Not Just Concrete (Nelson Ltd) Offshore Plumbing Services P & N Siteworks Ltd P E L Contracting Paramount Construction 2008 Limited Proarbore Ltd Professional Excavation Limited R A Shearing Contractors Ltd **RS** Cabling SES Contracting Ltd SH Civil Limited Shaw Asphalters 2006 Ltd Sierra Delta Civil Limited Sollys Contractors TCD 2015 Ltd Total Siteworks Ltd **TPP** Contracting Ltd Tuck Civil Services Limited Wellington Developments Ltd Wilson Contracting Ltd **XTREME** Contracting Zenscape Limited

Menard Oceania Pty Ltd Morris & Bailey Ltd MWN Civil Nelson Civil Construction Ltd Ngaio Contracting Ltd Opie Contractors Ltd Pidgeon Contracting Ltd Pipeline & Infrastructure Pomco Services Ltd **Pro Seal Limited** ProTraffic RJM Construction Ltd Roading and Building Cartage Ltd Rvan Contractors Ltd SCL Civil Works Siteworx Northland Skevingtons Storm Waters Contracting Ltd Supreme Site Works Thelin Construction Ltd Titan Traffic TPM Civil Ltd Tracks Concrete (2002) Ltd Universal Underground Limited Waikato Post Ramming Limited Waitohu Limited Wanaka Civil Limited



# Contractor members 2022-2023 cont'd

## \$4 – \$6 million

- Action Civil Ltd B Bullock (2009) Ltd Base Contracting Ltd Bond Earth Works C J Industries Ltd CCL Construction Contracting CDS New Zealand Ltd Chambers & Jackett Ltd Chambers & Jackett Ltd Christchurch Ready Mix Concrete Ltd Civil + Build Ltd Clements Contractors Ltd Cloutman Brothers Mining & Dredging Ltd Construct Civil Ltd Curle Contracting Ltd E and J Contractors
- GeoStabilization New Zealand Ltd GIBBONS RAIL LTD Goodrick Contracting Ltd Grant Hood Contracting Ltd Griffiths Drilling NZ Ltd GT Civil Limited Horotiu Cartage & Hire Limited HydroVac Ltd J W Neill Contractors Ltd JDI Construction LTD K & B Reed Contractors Ltd Kerry Drainage & Civil Legacy Contracting Letton Kerb & Channel Ltd Loveridge Limited

# **\$6 – \$10 million** Abseil Access Ltd

Andrew Haulage 2011 Ltd ASCO Asphalt Asphalt & Construction **B** G Contracting Ltd **Base Civil Limited Blackley Construction** Bond Contracts Ltd Bridge It NZ Ltd Cashmore Contracting Ltd Ching Contracting Ltd **CLL Corp Services Ltd** Coastal Digger Services Ltd **Construction Contracts Ltd** Crafar Crouch Construction Ltd Delta Contracting Ltd Donaldson Civil Limited Dormer Construction Limited **E N Ramsbottom** 

## \$10 – \$25 million

- Ashburton Contracting BBR Contech Chevron Traffic Services Ltd City Contractors Ltd Connell Contractors E Carson & Sons Ltd GSL Hamilton Asphalts Limited Hiway Stabilizers NZ Ltd Hopper Construction Ltd Hunter Civil Ltd ICB Retaining and Construction Ltd Inframax Construction J & R Contracting Ltd
- Earthwork Solutions Ltd Evergreen Landcare Ltd Exaro Contracting Limited G P Friel Ltd Gameon 2 Contractors Ltd Geovert Ltd **Glasgow Contractors Gleeson** Civil Groundfix Hibiscus Contractors Ltd Interflow Pty Limited JCL Asphalt Landwork Civil Marais Laying NZ Maugers Contracting Ltd Maungatua Contracting (Wanaka) Ltd Maxion Civil McKenzie & Parma Ltd McKenzie Contracting

J G Civil Limited J Swap Contractors Ltd JMC Ltd Johnston Civil Ltd KB Contracting and Quarries Ltd Lattey Group Limited Libbet Limited Loaders Wanganui MAP Projects Ltd March Cato Limited MBD Contracting Mike Edridge Contracting Ltd Mills Albert Ltd Multi Civil Contractors Ltd McDonough Contracting Ltd Morepork Trenching Ltd Pritchard Civil Limited Protranz Earthmoving Ltd Rapid Earthworks Ltd Ritchie Civil Ltd RMS Contracting Ltd Rohit's Civil & Infrastructure SAL Civil Works Smythe Contractors Ltd T C Nicholls Ltd Tasman Civil Limited Te Anau Earthworks Ltd Technix Bitumen Technologies Ltd Topline Contracting

Moore Construction North Drill Ltd Petrotec Services Ltd Phoenix Civil Limited Robinson Asphalts 1992 Ltd **Rock Control RZG** Construction Ltd Seav Earthmovers Ltd Smith Crane and Construction Ltd Spiral Drillers Civil Ltd Steve Bowling Contracting Ltd Tarbotton Land & Civil Tirau Earthmovers Ltd **Total Rail Solutions** Traffic Control Systems ltd Troy Wheeler Contracting Ltd Wellington Pipelines Ltd

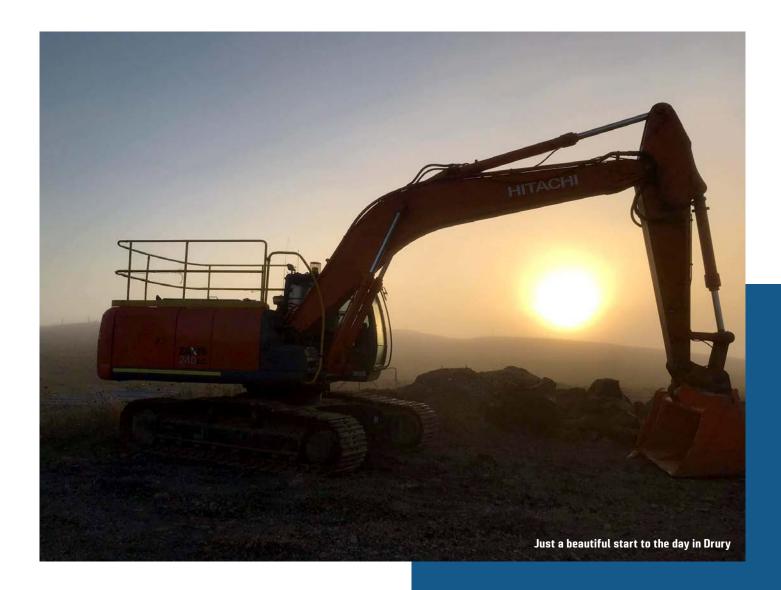
Nelmac Ltd PCL Contracting Ltd Pipe Vision NZ Ltd Quality Roading and Services (Wairoa) Ltd Russell Roads Ltd Seipp Construction Ltd Taggart Earthmoving Ltd TDM Construction Ltd Utilities Infrastructure NZ Vuksich & Borich (NZ) Limited Westroads Ltd Whitestone Contracting Ltd Wilson Contractors (2003) Ltd

# \$25 – \$50 million

# \$50 – \$100 million

# \$100 million plus

CB CIvil Goodman Contractors Limited March Construction Ltd MDL Civil and Engineering Ltd Pipeline & Civil Limited Ross Reid Contractors SouthRoads Spartan Construction Ltd Taylors Contracting Co Ltd TDG Environmental Ltd United Civil Construction Ltd Waiotahi Contractors Ltd CORDE LTD Ghella Limited Isaac Construction Limited Schick Civil Construction Ltd Acciona Construction New Zealand Limited CPB Contractors Pty Limited Dempsey Wood Civil Ltd Downer NZ - Head Office Fletcher Construction Company Ltd Fulton Hogan Corporate HEB Construction Limited McConnell Dowell Constructors Ventia NZ Operations Ltd







# **Financial Statements**

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# Independent auditor's report

#### To the Members of Civil Contractors New Zealand Incorporated

#### Opinion

We have audited the general purpose financial report of Civil Contractors New Zealand Incorporated (the 'Parent') and its subsidiary (together, the 'Group') which comprise the financial statements on pages 6 to 24 and the service performance information on pages 4 to 5. The complete set of financial statements comprise the statement of financial position as at 31 March 2023, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying general purpose financial report presents fairly, in all material respects:

- the financial position of Civil Contractors New Zealand Incorporated as at 31 March 2023, and (of) its financial performance,
- and its cash flows for the year then ended; and
- the service performance for the year ended 31 March 2023 in accordance with the entity's service performance criteria

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR).

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS) 1 *The Audit of Service Performance Information* (NZ). Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the general purpose financial report section of our report.

We are independent of Civil Contractors New Zealand Incorporated 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 our capacity as auditor we have no relationship with, or interests in, Civil Contractors New Zealand Incorporated.

#### Other matter

The parent and consolidated financial statements of Civil Contractors New Zealand Incorporated for the year ended 31 March 2022, were audited by another auditor who expressed an unmodified opinion on those statements on 6 July 2022.

Moore Markhams is a network of independent firms that are each members of Moore Global Network Limited. Member firms in principal cities throughout the world.

Moore Markhams Wellington Audit is a partnership of MK Rania and AJ Steel. Moore Markhams independent member firms in New Zealand are in Auckland -Christchurch – Dunedin – Hawke's Bay – Queenstown – Wairarapa – Wanganui – Waverley – Wellington.



#### Responsibilities of Executive Council for the General Purpose Financial Report

Executive Council is responsible on behalf of Civil Contractors New Zealand Incorporated for: a) the financial statements and service performance information in accordance with Public

- Benefit Entity Standards issued by the New Zealand Accounting Standards Board;
- b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards; and
- c) such internal control as Executive Council determine is necessary to enable the preparation of the general purpose financial report and service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the general purpose financial report, Executive Council are responsible for assessing the Civil Contractors New Zealand Incorporated'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 Executive Council either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

#### Auditor's Responsibilities for the Audit of the General Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, and the service performance information 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 this general purpose financial report.

A further description of the auditor's responsibilities for the audit of the general purpose financial report is located at the XRB's website at

https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-13/

This report is made solely to the Parent's members of Civil Contractors New Zealand Incorporated. Our audit has been undertaken so that we might state to the members those matters we are required to state to them in an auditors' 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 members, for our audit work, for this report, or for the opinions we have formed.

Moore Markhans

Moore Markhams Wellington Audit | Qualified Auditors, Wellington, New Zealand 8 August 2023



#### Civil Contractors New Zealand Incorporated Statement of service performance As at 31 March 2023

### Statement of service performance

Why we exist.

Our vision:	Quality people delivering quality infrastructure in a safe and sustainable industry.
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**Our mission:** To promote a trusted and sustainable civil construction industry.

**Our values:** Trusted; Professional; Reliable; Collaborative.

#### Our strategic outcomes:

#### Provide proactive industry leadership.

Year ended 31 March 2023	Year ended 31 March 2022
<ul> <li>Active participation in review of NZS3910.</li> <li>Advocacy to improve immigration pathway to bring in migrant civil workers.</li> <li>Worked with other industry association CEOs to develop an attraction campaign to encourage workers to come to NZ.</li> <li>Advocacy on consistent and visible work pipeline.</li> <li>Submitted on government labour reforms.</li> <li>Member of the Accord Infrastructure Reference Group on behalf of members</li> </ul>	<ul> <li>Led call for review of NZS3910.</li> <li>Input into improving retentions regime.</li> <li>Negotiated MIQ places.</li> <li>Advocacy on consistent and visible work pipeline.</li> <li>Supported pilot Infrastructure Skills Centres</li> <li>Released <i>Developing a Skilled Civil Construction Workforce</i> report.</li> </ul>

#### Engage with members.

Year ended 31 March 2023	Year ended 31 March 2022
480 Contractor members	441 Contractor members
281 Associate members	258 Associate members
<ul> <li>80% of survey respondents rated CCNZ membership as valuable (29%), very valuable (34%), or extremely valuable (17%).</li> <li>RM, CEO, President attendance at branch meetings.</li> <li>CCNZ-HIANZ joint conference in Christchurch – 817 delegates.</li> <li>\$5.3m in discounts to members via the n3 card scheme.</li> <li>Fortnightly Civil Talk newsletter average readership 1,749 people.</li> </ul>	<ul> <li>81% of survey respondents rated CCNZ membership as valuable (36%), very valuable (31%, or extremely valuable (14%).</li> <li>RM, CEO, President attendance at branch meetings.</li> <li>CCNZ conference in Wellington – 527 delegates.</li> <li>\$8.6m in discounts to members via the n3 card scheme.</li> <li>Fortnightly Civil Talk newsletter read by more than 1,200 people each fortnight.</li> </ul>



#### Civil Contractors New Zealand Incorporated Statement of service performance As at 31 March 2023 (continued)

#### Support a healthy and safe industry, including promoting the CCNZ healthy industry statement.

Year ended 31 March 2023	Year ended 31 March 2022
<ul> <li>Work with government, Infrastructure Commission, Construction Sector Accord, and asset owners on having confidence in a future pipeline.</li> <li>Advocated for fair allocation of work under the Three Waters reforms.</li> <li>Input into review of government procurement practices.</li> <li>Continued to support and promote MATES in Construction.</li> <li>Number of Certified Civil Tradespeople increased by 9% to 813.</li> <li>Number enrolled apprenticeships increased by 75% to 2,161.</li> </ul>	<ul> <li>Pandemic and lockdown impact on contracts.</li> <li>COVID 19 response.</li> <li>Connected MATES in Construction with thousands of members.</li> <li>Number of Certified Civil Tradespeople increased by 10% to 745.</li> <li>Number enrolled apprenticeships increased by 117% to 1,235.</li> </ul>

#### Promote sustainability and environmental excellence.

Year ended 31 March 2023	Year ended 31 March 2022
Promoted CCNZ Environmental Guide	Released CCNZ Environmental Guide.

#### Work with asset owners.

Year ended 31 March 2023	Year ended 31 March 2022
<ul> <li>Advocacy on:</li> <li>Need for increased capital and maintenance investment in roads.</li> <li>Continued investment on water assets during the Three Waters transition.</li> <li>Response to floods and cyclones with Emergency Management, Civil Defence, Local authorities.</li> </ul>	<ul> <li>Advocacy on:</li> <li>Need for increased maintenance investment in roads and water.</li> <li>Health and safety protocols to support businesses to continue work in the pandemic.</li> <li>Road worker safety</li> </ul>

#### Raise the positive profile of the industry and CCNZ.

Year ended 31 March 2023	Year ended 31 March 2022
<ul> <li>10% increase in website visits to 72,141 from 45,877 people.</li> <li>Social media followers grew by 34% to 17,500.</li> <li>CCNZ mailing list grew to 5,000.</li> <li>Monthly columns in Contractor and LG magazines.</li> <li>29 media releases.</li> <li>Hirepool Excellence Awards with 32 finalists from 46 project entries.</li> <li>Presented at 7 different conferences</li> </ul>	<ul> <li>Strong voice through RoVE reforms.</li> <li>Represented on over 50 industry groups.</li> <li>47% increase in website visits to 65,384 visits from 46,782 people.</li> <li>Social media grew to over 13,000 followers.</li> <li>CCNZ mailing list grew to 4,300.</li> <li>Monthly columns in Contractor and LG magazines.</li> <li>11 media releases (due to COVID disruption).</li> <li>Hirepool Excellence Awards with 53 project entries.</li> </ul>

#### Promote diversity, inclusion, and fun.

Year ended 31 March 2023	Year ended 31 March 2022
<ul> <li>Full programme of regional and national excavator operator competitions due to COVID restrictions</li> <li>Leadership awards to encourage and reward emerging leaders.</li> <li>Young contractor group established in Auckland.</li> </ul>	<ul> <li>Limited excavator operator competitions due to COVID restrictions</li> <li>Leadership awards to encourage and reward emerging leaders</li> </ul>



#### Civil Contractors New Zealand Incorporated Statement of comprehensive income For the year ended 31 March 2023

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	Group		Parent		
		2023	2022	2023	2022
	Notes	\$	\$	\$	\$
Revenue	4	5,714,307	4,513,372	4,477,279	3,348,019
Publishing related expenses Depreciation & amortisation	5	(607,212) (40,129)	(522,598) (41,992)	- (34,711)	- (38,321)
Loss on disposal of property, plant and equipment		(1,156)	(2,351)	(1,156)	(2,351)
Other expenses Finance income (costs) - net	5 6	(4,789,705) 66,668	(3,525,844) 12,665	(4,301,841) <u>61,172</u>	(3,092,055) 12,313
Profit before income tax		342,773	433,252	200,743	227,605
Income tax expense	7	<u>(60,234</u> )	<u>(67,825</u> )	<u> </u>	<u> </u>
Profit from continuing operations		282,539	365,427	200,743	227,605
Surplus is attributable to: Equity holders of Civil Contractors New Zealand Incorporated	16	255,366	336,975		
Surplus attributable to non-controlling interest		27,173	28,452		
		282,539	365,427		
Total comprehensive revenue and expenses for the year is attributable to:					
Equity holders of Civil Contractors New Zealand Incorporated	16	255,366	336,975		
Surplus attributable to non-controlling interest		27,173	28,452		
		282.539	365.427		

For and on behalf of the Board.

Bailey Gair

President

Date: 8 August 2023

Maad

Alan Pollard Chief Executive Officer Date: 8 August 2023

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



#### Civil Contractors New Zealand Incorporated Statement of changes in equity For the year ended 31 March 2023

Group	Reserves \$	Retained earnings \$	Non-controlling interest \$	Total equity \$
Balance as at 1 April 2021	417,584	2,408,761	65,706	2,892,051
Surplus for the year	-	336,975	28,452	365,427
Dividends paid	<u>-</u> .		(6,480)	(6,480)
Balance as at 31 March 2022	417,584	2,745,736	87,678	3,250,998
Balance as at 1 April 2022	417,584	2,745,736	87,678	3,250,998
Surplus for the year	-	255,366	27,173	282,539
Dividends paid			(16,200)	(16,200)
Balance as at 31 March 2023	417,584	3,001,102	98,651	3,517,337

Parent	Reserves	Retained earnings	Total equity
	\$	\$	\$
Balance at 1 April 2021	417,584	2,111,423	2,529,007
Surplus for the year		227,605	227,605
Balance as at 31 March 2022	417,584	2,339,028	2,756,612
Balance as at 1 April 2022	417,584	2,339,028	2,756,612
Surplus for the year		200,743	200,743
Balance as at 31 March 2023	417,584	2,539,771	2,957,355

	Group		q	Parent	
		2023	2022	2023	2022
	Notes	\$	\$	\$	\$
Total recognised income and expense for the year is attributable to: Members of Civil Contractors New Zealand	16	255,366	336,975	200,743	227,605
Incorporated Non-controlling interest		27,173	28,452	-	-
Non-controlling interest		282,539	365,427	200,743	227,605

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



#### Civil Contractors New Zealand Incorporated Balance sheet As at 31 March 2023

		Group		Parent	
		2023	2022	2023	2022
	Notes	\$	\$	\$	\$
400770					
ASSETS Current assets					
Cash and cash equivalents	8	1,008,613	1,489,452	779,228	1,111,430
Trade and other receivables from exchange					
transactions	9	414,110	434,958	203,086	257,977
Inventories		9,802	12,036	9,802	12,036
Current tax receivables		5,600	2,240	5,600	2,240
Term deposits Conference prepayments		1,811,818 22.042	1,198,021 34,689	1,471,818 22.042	1,058,021 34,689
conterence prepayments		3,271,985	3,171,396	2,491,576	2,476,393
					,,
Non-current assets classified as held for sale	10	888,415	-	888,415	-
Total current assets		4,160,400	3,171,396	3,379,991	2,476,393
Non-current assets					
Property, plant and equipment	11	26,341	932,437	18,981	919,659
Intangible assets Shares in Contrafed	12	51,263	65,163	31,263	45,163
Deferred tax assets	13	- 18,276	- 4,848	22,400	22,400
Total non-current assets	10	95,880	1,002,448	72,644	987,222
Total assets		4,256,280	4,173,844	3,452,635	3.463.615
		<u></u>			
LIABILITIES					
Current liabilities					
Trade and other payables	14	561,750	479,474	371,720	318,443
Current tax payables Deposit received	10	26,636 108,000	29,825	- 108,000	-
Income in advance	10	42,557	413,547	15,560	388,560
Total current liabilities		738,943	922,846	495,280	707,003
			<u> </u>		<u> </u>
Total liabilities		738,943	922,846	495,280	707,003
Net assets		3.517.337	3.250.998	2.957.355	2.756.612
EQUITY					
Reserves	15(a)	417,584	417,584	417,584	417,584
Retained earnings	15(b)	3,001,102	2,745,736	2,539,771	2,339,028
		3,418,686	3,163,320	2,957,355	2,756,612
Name and the line in terms of		00.054	07.070		
Non-controlling interest		98,651	87,678		
Total aquity		2 647 997	2 250 000	2 057 255	0.750.040
Total equity		3.517.337	3,250,998	2.957.355	2,756,612

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



#### Civil Contractors New Zealand Incorporated Statement of cash flows For the year ended 31 March 2023

		Group		Parent	
		2023	2022	2023	2022
	Notes	\$	\$	\$	\$
<b>Cash flows from operating activities</b> Receipts from customers Payments to suppliers and employees Interest received Income taxes paid Net GST received Interest paid		5,349,222 (5,249,708) 66,687 (80,211) (34,421) (19)	4,743,669 (4,083,286) 12,665 (86,910) (381)	4,063,009 (4,184,562) 61,172 - (35,872)	3,582,527 (3,146,119) 12,313 - 788 -
Net cash inflow/(outflow) from operating		<u>51,550</u>	585,757	<u>(96,253)</u>	449,509
activities					
<b>Cash flows from investing activities</b> Payments for property, plant and equipment Payments for purchase of investments Dividends received Deposit received	11	(10,792) (613,797) 400 108,000	(23,206) (128,779) 416	(10,792) (413,797) 80,640 108,000	(14,779) (28,779) 30,016
Net cash outflow from investing activities		(516,189)	<u>(151,569</u> )	(235,949)	(13,542)
Cash flows from financing activities Dividends paid Net cash outflow from financing activities		<u>(16,200)</u> (16,200)	<u>(8,720)</u> (8,720)	<u>_</u>	
Net increase in cash and cash equivalents		(480,839)	425,468	(332,202)	435,967
Cash and cash equivalents at the beginning of the financial year		1,489,452	1,063,984	1,111,430	675,463
Cash and cash equivalents at end of year	8	1.008.613	1.489.452	779.228	1.111.430

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



#### 1 Summary of significant accounting policies

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

#### (a) Basis of preparation

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

#### Entity reporting

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

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

#### Statutory base

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

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

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

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

#### Method of consolidation

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

#### Historical cost convention

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

#### Functional and presentation currency

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

#### (b) Revenue recognition

#### Exchange transactions

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.

#### Non-exchange transactions

Non-exchange transactions are recognised when the payment is received and when the amount can be reliably measured.

#### 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.



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

#### (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.

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 is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

#### (d) Goods and services tax (GST)

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

#### (e) Leases

#### (i) Finance leases

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

#### (ii) Operating leases

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

#### (f) Cash and cash equivalents

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

#### (g) Trade and other receivables

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

#### (h) Inventories

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



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

#### (i) Non-current assets held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell. They are measured at the lower of their carrying amount and fair value less costs to sell. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

#### (j) Financial instruments

#### (i) Classification

The Parent and Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through surplus or deficit) and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in surplus or deficit or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

#### (ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Parent and Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Parent and Group has transferred substantially all the risks and rewards of ownership.

#### (iii) Measurement

At initial recognition, the Parent Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through surplus or deficit (FVSD), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVSD are expensed in surplus or deficit.

#### Debt instruments

Subsequent measurement of debt instruments depends on the Parent's and Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Parent and Group classifies its debt instruments:

 Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.



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

#### (j) Financial instruments (continued)

#### (iv) Impairment

The Parent and Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Parent and Group applies the simplified approach permitted by PBE IPSAS 41, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### (k) Property, plant and equipment

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

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

The depreciation rates are as follows:

Furniture, fittings and office equipment	18.0 - 67.0%
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.

#### (I) 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 life of 4 years.

#### (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.



#### 2 Critical accounting estimates and judgements

#### Critical accounting estimates and assumptions

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

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

The Group and Parent have tax losses carried forward of \$229,751 (2022: \$188,453). 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 it is not probable the remaining losses will be utilised against future taxable income. As a result, there is an unrecognised deferred tax asset of \$64,301 (2022: \$48,658) in relation to unused tax losses, see notes 7 and 13.

#### 3 Financial instruments

#### Financial instruments by category

	Group		Parent	
	2023	2022	2023	2022
	\$	\$	\$	\$
Financial assets at amortised cost				
Cash and cash equivalents	1,008,613	1,489,452	779,228	1,111,430
Trade and other receivables	339,869	343,940	135,936	176,432
Term deposits	1,811,818	1,198,021	1,471,818	1,058,021
	3,160,300	3.031.413	2,386,982	2,345,883
Financial liabilities at amortised cost				
Trade and other payables	425,811	363,449	294,807	252,553
Deposit received	108,000		108,000	_
	533.811	363.449	402.807	252.553

#### 4 Revenue

	Group		Parent	
	2023	2022	2023	2022
	\$	\$	\$	\$
Exchange revenue				
Services	492,760	419,158	179,396	137,422
NEOC/REOC income	102,085	1,700	102,085	1,700
Sponsorship	298,083	158,323	298,083	158,323
Subscriptions income	2,209,670	1,909,030	2,209,670	1,909,030
Functions income	540,092	341,448	540,092	341,448
Awards income	39,050	47,050	39,050	47,050
Advertising income	1,003,729	913,395	-	-
Trade certification income	66,774	74,041	66,774	74,041
Conference income	950,510	510,310	950,510	510,310
Sundry income	11,154	138,501	10,979	136,439
Dividends	400	416	80,640	32,256
	5,714,307	4,513,372	4,477,279	3,348,019



5 Expenses

5 Expenses			<b>D</b>	
	Group		Parent	
	2023 \$	2022 \$	2023 ¢	2022 \$
	φ	φ	\$	Φ
Depreciation (note 11)				
Land and buildings	7,560	7,714	7,560	7,714
Fixtures and fittings and office equipment	10,977	8,532	5,559	4,861
Computer equipment	7,692	7,706	7,692	7,706
Total depreciation	26.229	23.952	20.811	20.281
	20.225	20.302	20.011	20.201
Amortisation (note 12)				
Website & software	13,900	18,040	13,900	18,040
Total depreciation and amortisation	40.129	41.992	34.711	38.321
	0 775	0.004	4 770	4 000
Accident compensation levy	2,775	2,834	1,773	1,662
Accounting fees	132,799	83,941	116,729	66,926
Advertising & promotion	35,435	33,389	25,674	28,501
Audit fees	40,586	42,710	24,000	37,245
Award costs	30,223	40,214	30,223	40,214
Bad debts	73,327	31,301	72,762	30,479
Bank fees & interest	6,767	7,943	6,293	7,131
Branch meeting expenses	95,603	45,728	95,603	45,728
Careers promotion	68,550 20,578	49,469	68,550 20,578	52,039
CEO expenses	20,578	15,198	20,578	15,198
Conference expenses	830,301	424,982	830,301	424,982
Contrafed subscriptions Council costs	42 220	33,249	46,969	45,430
-	42,228	,	42,228	33,249
Entertainment	1,819	475 24,463	- 34,998	-
Fringe benefit tax Functions	34,998 640 813		,	24,463
	640,813	372,899	640,813	372,899 35,314
General expenses	42,429 5,222	54,686 5,467	21,968	55,514
Hire of plant & equipment		12,366	20.026	- 12,366
Industry liaison	38,836 28,261	35,434	38,836 28,261	35,434
Industry projects Insurance	41,621	38,428	31,739	32,341
IT costs	41,469	30,420	21,948	9,102
Kiwisaver employer contributions	33,893	29,499	33,893	29,499
Legal & consulting fees	28,685	20,991	27,393	20,991
N3 Benefits purchases	25,000	25,000	25,000	25,000
NEOC/REOC expenses	149,158	25,000	149,158	25,055
Office equipment & maintenance	36,495	34,710	35,759	33,534
Postage & couriers	6,714	16,265	3,935	14,946
Power & utilities	44,867	38,358	42,276	36,130
Printing & stationery	10,262	16,156	7,798	13,225
Public relations	-	14,455	-	14,455
Publication costs	18,568	30,056	18,568	40,577
Regional and technical manager expenses	163,608	169,789	163,608	169,789
Rent	48,806	43,542	-	-
Roadshow expenses	27,498		27,498	-
Salaries	1,639,205	1,433,357	1,310,628	1,113,016
Sponsorship	54,695	29,879	54,695	29,879
Staff training & recruitment	86,405	59,337	84,111	54,982
Subscriptions	45,689	29,188	30,936	22,721
Telephone & internet	19,305	21,141	12,324	14,134
Trade certification expenses	46,542	34,990	46,542	34,990
Travel & accommodation	10,150	7,201	-	-
Website maintenance	16,927	21,481	4,880	8,658
Workforce development	22,593	39,771	22,593	39,771
	4,789,705	3,525,844	4,301,841	3,092,055



#### 6 Finance (income) costs - net

	Group		Parent	
	2023	2022	2023	2022
	\$	\$	\$	\$
Finance costs				
Interest expenses	<u> </u>	<u> </u>	<u> </u>	
Total finance costs	19			-
Finance income				
Interest income	(66,687)	(12,665)	(61,172)	(12,313)
Total finance income	(66,687)	(12,665)	(61,172)	(12,313)
Net finance (income) costs	(66,668)	(12.665)	(61,172)	(12.313)
7 Income tax expense				
	Group	)	Parent	
	2023	2022	2023	2022
	\$	\$	\$	\$
(a) Income tax expense				
Current tax	73,662	66,595	_	_
Deferred tax (note 13)	(13,428)	1,230		-
Income tax expense	60,234	67,825		
(b) Numerical reconciliation of income tax expense to prima facie tax payable				
Surplus before income tax expense	342,773	433,252	200,743	227,605
Income tax at 28%	95,976	121,311	56,208	63,729
Less tax effect of permanent differences Non assessable income and expenses	(15,665)	(48,380)	(36,124)	(58,623)
Utilisation of tax losses for which no deferred tax asset had been recognised	(20,077)	(5,106)	(20,084)	(5,106)
Income tax expense	60,234	67,825	<u>(=0,00 1)</u>	<u></u>
(c) Unrecognised deferred tax balances				
Unused tax losses for which no deferred tax asset has		40.050		40.050
been recognised Unrecognised deferred tax balances	<u>64,293</u> 64,293	<u>48,658</u> 48.658	<u>64,293</u> 64,293	<u>48,658</u> 48.658
Unicoognised deletted lan balances	04.233	40.000	04.233	40.000



## 8 Cash and cash equivalents

	Group		Parent	
	2023	2022	2023	2022
	\$	\$	\$	\$
Bank balances	1,008,613	1,459,452	779,228	1,081,430
Deposits at call	-	30,000	-	30,000
·	1.008.613	1.489.452	779.228	1.111.430

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

	Group		Parent	
	2023	2022	2023	2022
	\$	\$	\$	\$
Trade receivables	305,007	331,423	101,074	163,915
Prepayments	43,559	91,018	36,468	81,545
Accrued income GST receivable	34,862 <u>30,682</u> 414,110	12,517  434,958	34,862 <u>30,682</u> 203,086	12,517 

Receivables are non-interest bearing and are generally on terms from 30 to 90 days. As at 31 March 2023, no receivables were impaired (2022: nil).

See note 20 for further details on the related party receivables.

### 10 Non-current assets classified as held for sale

	Group		Parent	
	2023	2022	2023	2022
	\$	\$	\$	\$
Land and buildings	<u>888,415</u> 888,415		888,415 888,415	

In September 2022, the Parent entered into a sale and purchase agreement to sell the Margan house property for \$4,000,000. A net deposit of \$108,000 (gross \$200,000, less agent commission \$92,000) was received during the year, with settlement expected to occur in the 2023 or 2024 calendar year.



# 11 Property, plant and equipment

Group	Land and buildings \$	Fixtures and fittings and office equipment \$	Computer equipment \$	Total \$
<b>At 1 April 2021</b> Cost Accumulated depreciation Net book amount	1,053,333 (156,533) 896.800	354,927 <u>(324,589)</u> 30.338	289,311 (280,915) 8.396	1,697,571 (762,037) 935.534
At 31 March 2022 Cost Accumulated depreciation Net book amount	1,053,333 (164,247) 889,086	362,353 (329,612) 32,741	199,675 (189,065) 10,610	1,615,361 (682,924) 932,437
Year ended 31 March 2023 Opening net book amount Additions Disposals Assets classified as held for sale (note 10) Depreciation charge (note 5) Closing net book amount	889,086 - - (881,526) 	32,741 4,172 (1,912) (6,889) (10,977) 17,135	10,610 6,620 (332) - (7,692) 9,206	932,437 10,792 (2,244) (888,415) (26,229) 26,341
<b>At 31 March 2023</b> Cost Accumulated depreciation Net book amount		161,264 (144,129) 17,135	203,708 (194,502) 9,206	364,972 (338,631) 26,341



## 11 Property, plant and equipment (continued)

Parent	Land and buildings \$	Fixtures and fittings and office equipment \$	Computer equipment \$	Total \$
<b>At 1 April 2021</b> Cost Accumulated depreciation Net book amount	1,053,333 (156,533) 896.800	259,258 (236,942) 22.316	289,311 (280,915) 8.396	1,601,902 (674,390) 927.512
At 31 March 2022 Cost Accumulated depreciation Net book amount	1,053,333 (164,247) 889,086	258,257 (238,294) 19,963	199,675 ( <u>189,065</u> ) 10,610	1,511,265 (591,606) 919,659
Year ended 31 March 2023 Opening net book amount Additions Disposals Assets classified as held for sale (note 10) Depreciation charge (note 5) Closing net book amount	889,086 - - (881,526) 	19,963 4,172 (1,912) (6,889) (5,559) 9,775	10,610 6,620 (332) - (7,692) 9,206	919,659 10,792 (2,244) (888,415) (20,811) 18,981
<b>At 31 March 2023</b> Cost Accumulated depreciation Net book amount	- 	57,168 (47,393) 9,775	203,708 <u>(194,502)</u> <u>9,206</u>	260,876 (241,895) 18,981



## 12 Intangible assets

Group	Patents and other rights \$	Trademark \$	Website & Software \$	Total \$
At 1 April 2021				
Cost	22,892	16,580	65,002	104,474
Accumulated amortisation and impairment	<u>(2,892</u> )		(18,379)	(21,271)
Net book amount	20,000	16,580	46,623	83,203
At 31 March 2022				
Cost	22,892	16,580	65,002	104,474
Accumulated amortisation and impairment	(2,892)		(36,419)	<u>(39,311</u> )
Net book amount	20,000	16,580	28,583	65,163
Year ended 31 March 2023				
Opening net book amount	20,000	16,580	28,583	65,163
Amortisation charge (note 5)			(13,900)	(13,900)
Closing net book amount	20.000	16.580	14.683	51.263
At 31 March 2023				
Cost	22,892	16,580	65,002	104,474
Accumulated amortisation and impairment	(2,892)	<u>-</u>	(50,319)	<u>(53,211</u> )
Net book amount	20,000	16,580	14,683	51,263
Parent		Trademark \$	Website & Software \$	Total \$
			Software	
Parent At 1 April 2021 Cost		\$	Software \$	\$
At 1 April 2021			Software	
At 1 April 2021 Cost		\$	<b>Software</b> \$ 65,002	<b>\$</b> 81,582
<b>At 1 April 2021</b> Cost Accumulated amortisation and impairment Net book amount		\$ 16,580	Software \$ 65,002 (18,379)	\$ 81,582 (18,379)
<b>At 1 April 2021</b> Cost Accumulated amortisation and impairment		\$ 16,580 	Software \$ 65,002 (18,379) 46,623	\$ 81,582 (18,379) 63,203
At 1 April 2021 Cost Accumulated amortisation and impairment Net book amount At 31 March 2022		\$ 16,580	Software \$ 65,002 (18,379)	\$ 81,582 (18,379)
At 1 April 2021 Cost Accumulated amortisation and impairment Net book amount At 31 March 2022 Cost		\$ 16,580 	Software \$ 65,002 (18,379) 46,623 65,002	\$ 81,582 (18,379) 63,203 81,582
At 1 April 2021 Cost Accumulated amortisation and impairment Net book amount At 31 March 2022 Cost Accumulated amortisation and impairment Net book amount		\$ 16,580 <u>16,580</u> 16,580	Software \$ 65,002 (18,379) 46,623 65,002 (36,419)	\$ 81,582 (18,379) 63,203 81,582 (36,419)
At 1 April 2021 Cost Accumulated amortisation and impairment Net book amount At 31 March 2022 Cost Accumulated amortisation and impairment Net book amount Year ended 31 March 2023 Opening net book amount		\$ 16,580 <u>16,580</u> 16,580	Software \$ 65,002 (18,379) 46,623 65,002 (36,419)	\$ 81,582 (18,379) 63,203 81,582 (36,419)
At 1 April 2021 Cost Accumulated amortisation and impairment Net book amount At 31 March 2022 Cost Accumulated amortisation and impairment Net book amount Year ended 31 March 2023 Opening net book amount Amortisation charge (note 5)		\$ 16,580 16,580 16,580 16,580 16,580	Software \$ 65,002 (18,379) 46,623 65,002 (36,419) 28,583 28,583 (13,900)	\$ 81,582 (18,379) 63,203 81,582 (36,419) 45,163 45,163 (13,900)
At 1 April 2021 Cost Accumulated amortisation and impairment Net book amount At 31 March 2022 Cost Accumulated amortisation and impairment Net book amount Year ended 31 March 2023 Opening net book amount		\$ 16,580 <u>16,580</u> 16,580 <u>16,580</u>	Software \$ 65,002 (18,379) 46,623 65,002 (36,419) 28,583	\$ 81,582 (18,379) 63,203 81,582 (36,419) 45,163 45,163
At 1 April 2021 Cost Accumulated amortisation and impairment Net book amount At 31 March 2022 Cost Accumulated amortisation and impairment Net book amount Year ended 31 March 2023 Opening net book amount Amortisation charge (note 5)		\$ 16,580 16,580 16,580 16,580 16,580 16,580 16,580	Software \$ 65,002 (18,379) 46,623 65,002 (36,419) 28,583 28,583 (13,900) 14,683	\$ <ul> <li>81,582</li> <li>(18,379)</li> <li>63.203</li> </ul> 81,582 <ul> <li>(36,419)</li> <li>45,163</li> <li>45,163</li> <li>(13,900)</li> <li>31,263</li> </ul>
At 1 April 2021 Cost Accumulated amortisation and impairment Net book amount At 31 March 2022 Cost Accumulated amortisation and impairment Net book amount Year ended 31 March 2023 Opening net book amount Amortisation charge (note 5) Closing net book amount At 31 March 2023 Cost		\$ 16,580 16,580 16,580 16,580 16,580	Software \$ 65,002 (18,379) 46,623 65,002 (36,419) 28,583 (36,419) 28,583 (13,900) 14,683 65,002	\$ <ul> <li>81,582</li> <li>(18,379)</li> <li>63.203</li> </ul> <ul> <li>81,582</li> <li>(36,419)</li> <li>45,163</li> <li>(13,900)</li> <li>31,263</li> <li>81,582</li> </ul>
At 1 April 2021 Cost Accumulated amortisation and impairment Net book amount At 31 March 2022 Cost Accumulated amortisation and impairment Net book amount Year ended 31 March 2023 Opening net book amount Amortisation charge (note 5) Closing net book amount At 31 March 2023		\$ 16,580 16,580 16,580 16,580 16,580 16,580 16,580	Software \$ 65,002 (18,379) 46,623 65,002 (36,419) 28,583 28,583 (13,900) 14,683	\$ <ul> <li>81,582</li> <li>(18,379)</li> <li>63.203</li> </ul> 81,582 <ul> <li>(36,419)</li> <li>45,163</li> <li>45,163</li> <li>(13,900)</li> <li>31,263</li> </ul>

Amortisation of \$13,900 has been included in depreciation and amortisation expense in the Group and Parent's statement of comprehensive income (2022: \$18,040).



## 13 Deferred tax assets/(liabilities)

		Group		Parent	
		2023 \$	2022 \$	2023 \$	2022 \$
The balance comprises temporary different attributable to:	ces				
Property, plant and equipment Non-current assets classified as held for sale		- (5,305)	(9,732)	- (5,305)	(9,732)
Provisions Other		23,552 	10,471 <u>4,109</u>	5,276 29	5,623 4,109
Net deferred tax assets/(liabilities)	_	18,276	4,848	<u> </u>	
Movements - Group	Property, plant and equipment \$	Non-current assets classified as held for sale \$	Provisions \$	Other \$	Total \$
	Ψ	Ψ	Ψ	Ψ	Ψ
At 1 April 2021	(9,403)	-	10,294	5,187	6,078
(Charged)/credited to the statement of comprehensive income	(329)	-	177	(1,078)	(1,230)
At 31 March 2022	(9.732)		10,471	4,109	4,848
At 1 April 2022	(9,732)	-	10,471	4,109	4,848
(Charged)/credited to the statement of comprehensive income	9.732	(5,305)	13,081	(4,080)	13,428
At 31 March 2023		(5.305)	23.552	29	18.276
Movements - Parent	Property, plant and equipment \$	Non-current assets classified as held for sale \$	Provisions \$	Other \$	Total \$
At 1 April 2021	(9,403)	-	4,216	5,187	-
(Charged)/credited to the statement of comprehensive income	(329)		1,407	(1,078)	-
At 31 March 2022	(9.732)		5,623	4,109	
At 1 April 2022 (Charged)/credited to the statement of	(9,732)	-	5,623	4,109	-
comprehensive income	9,732	(5,305)	(347)	(4,080)	
At 31 March 2023		(5.305)	5.276	29	_



## 14 Trade and other payables

	Group		Parent	
	2023 \$	2022 \$	2023 \$	2022 \$
Trade payables	212,521	224,295	129,506	156,625
Employee entitlements	107,060	83,407	76,913	60,700
Accrued expenses	184,936	128,469	141,990	88,800
GST payable	28,879	32,618	-	5,190
Credit cards	28,354	10,685	23,311	7,128
	561.750	479.474	371.720	318.443

## 15 Reserves and retained earnings

Group		ent
<b>2023</b> 2022	2023	2022
\$	\$	\$
417,584	417,584	417,584
417.584	417.584	417.584
3	2022 \$ 34 417,584	2022 <b>2023</b> \$ \$

### (b) Retained earnings

Movements in retained earnings were as follows:

	Group		Parent	
	2023	2022	2023	2022
	\$	\$	\$	\$
Balance at 1 April	2,745,736	2,408,761	2,339,028	2,111,423
Net surplus for the year	255,366	336,975	200,743	227,605
Balance at 31 March	3,001,102	2,745,736	2,539,771	2,339,028



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

	2023 \$	2022 \$
National Office		
Surplus before branch levies Branch levies National office surplus for the year	267,119 <u>(184,902)</u> 82,217	369,244 <u>(167,921</u> ) 201,323
Branches		
Northland Auckland Waikato Bay of Plenty Hawkes Bay Taranaki Wanganui Manawatu Wellington/Wairarapa Nelson/Marlborough Canterbury Otago Southland Total branches surplus for the year	6,999 34,691 (587) (4,847) 12,229 3,690 2,924 14,708 20,523 7,234 18,303 (3,675) (5,681) 106,511	7,876 23,491 3,044 3,986 4,315 1,216 1,401 (5,118) (6,095) (90) (16,234) 7,010 <u>13,137</u> 37,939
Net effect of parent consolidation entries Parent surplus for the year	<u> </u>	<u>(11,657</u> ) 227,605
Subsidiaries		
Contrafed Publishing Co Limited Total subsidiaries surplus	<u>222,670</u> 222,670	<u>237,902</u> 237,902
Income tax expense Surplus attributable to non-controlling interest Net effect of group consolidation entries <b>Group members surplus for the year</b>	(60,234) (27,173) (80,640) 255,366	(67,825) (28,452) <u>(32,255</u> ) <u>336,975</u>

### **17 Contingencies**

As at 31 March 2023 the parent entity and Group had no contingent liabilities or assets (2022: nil).

### **18 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	
	2023	2022	2023	2022
	\$	\$	\$	\$
Within one year	54,470	43,043	54,470	39,085
After one year but not more than five years	56,503	64,550	56,503	64,550
Total	110.973	107,593	<u>110.973</u>	103,635



### **19 Investments**

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

Name of entity	Principal activities	Interest held by the Parent	
		2023 %	2022 %
Contrafed Publishing Co Limited	Publishing company	83.27	83.27

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

## 20 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:

	2023	2022
Total remuneration	\$474,836	\$491,479
Number of FTE	2	2

During the year, Civil Contractors New Zealand Incorporated have used Dentons 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 Dentons Kensington Swan (an associate member of Civil Contractors New Zealand Incorporated). Total legal fees paid to Dentons Kensington Swan during the year ended 31 March 2023 \$10,269 (2022: \$13,544).

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

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

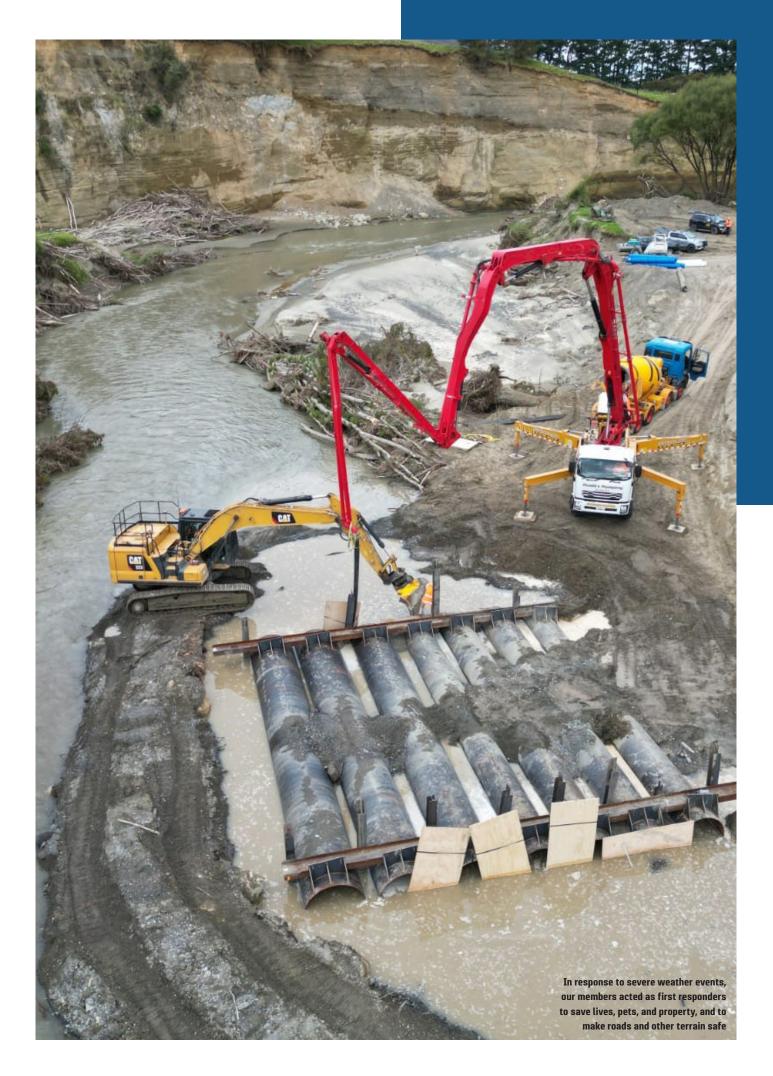
Civil Contractors New Zealand Incorporated owns 22,400 shares (83.27% ownership) in Contrafed Publishing Co Limited (2022: 22,400, 83.27% ownership).

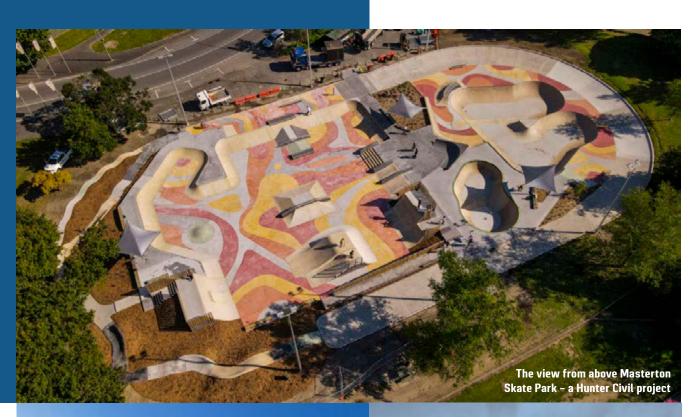
During the 2023 financial year Civil Contractors New Zealand Incorporated purchased subscriptions of \$46,969 (2022: \$45,430), advertising services of \$19,032 (2022: \$14,587) and publication services of \$nil (2022: \$10,522) from Contrafed Publishing Co Limited.

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.

## 21 Events occurring after the reporting period

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







Early morning starts at Road Metals, Rolleston

A Rolck Control Rope Access Drilling Technician installing anchors overlooking the picturesque Marlborough sounds while working on the Marlborough Roads Recovery project







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

www.civilcontractors.co.nz