



CIVIL CONTRACTORS
NEW ZEALAND



ANNUAL '19 REPORT



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

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ANNUAL '19 REPORT

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PRESIDENT'S REPORT '18-'19



It has been a privilege to represent the industry as President over the past year. I thank the Executive Council, our staff and our members for their work and support.

CCNZ has worked on a wide range of topics over the past year. Some initiatives are well established, like Civil Trades and our advocacy for improved procurement. For others, it has been a fresh start as we look to raise the profile of our industry through our new careers promotion platform EPIC and lead a new road work site safety strategy.

The civil construction industry remains busy in most parts of the country. But despite promises of record investment both nationally and regionally, the future pipeline of work still lacks clarity and certainty. There have been major changes in the Government's infrastructure investments, and the ongoing Three Waters review is not yet complete.

CCNZ has spoken out about the lack of projects planned to come to the construction market as Roads of National Significance projects wind down and the impact this will have on head contractors, subcontractors and the families and individuals working in civil construction.

The record levels of investment committed to fill our infrastructure gap and replace or upgrade old and often overloaded networks must be acknowledged. But it takes time to properly plan and design projects and the current inability of clients to effectively and efficiently bring projects to the market, ongoing risk transfer and poor procurement practices means the market remains challenging.

It is the sort of market where agile and adaptable businesses succeed. Contractors have continued to build professionalism. Many are working hard to meet new legislative and prequalification requirements, attract and retain staff, interpret an increased volume of special conditions to contracts, manage transfer of risks from clients while at the same time realigning their businesses to new client priorities.

As the voice of the civil construction industry, CCNZ has built its public profile in the past year and seen real success in many advocacy efforts. This includes

The people in our industry never cease to amaze me with the many innovative and complex projects they work on daily for the good of our communities.

the work of our reinvigorated technical committees, our input on road work site safety and temporary traffic management, and advocacy on the need for better infrastructure planning that is less impacted by the swings and roundabouts of political cycles through positive new initiatives like the Construction Sector Accord and NZ Infrastructure Commission.

The Government has even triggered a 'procurement reset' following our advocacy, re-writing the rules for procurement and trying to overcome the challenges posed by clients repeatedly awarding contracts based on lowest price. Increasing incentives to develop skills within New Zealand businesses are another promise on the horizon.

The people in our industry never cease to amaze me with the many innovative and complex projects they work on daily for the good of our communities. My first year as President has been a busy one, but it has been a privilege to attend many branch meetings and regional awards over the past year and get to know more of the people behind New Zealand's civil construction businesses on a personal basis.

I look forward to seeing many of our members in August at our annual conference in Rotorua.

A handwritten signature in black ink that reads "Tim Ford". The signature is written in a cursive, flowing style.

Tim Ford – CCNZ President

CHIEF EXECUTIVE'S REPORT '18-'19



It has been a significant year of change for the civil construction industry and CCNZ. The industry has been busy with a wide range of work and responding to changing client priorities and procurement models.

CCNZ has seen significant staffing changes with half its current staff of eight joining us since January 2018. This has enabled a change of focus to improved communications, a higher public profile and the successful operation of our EPIC Careers in Infrastructure campaign.

Advocacy

Our advocacy has been based on CCNZ's Healthy Market statement. More and more clients are recognising the benefit of becoming a 'client of choice' and the critical role they can take in encouraging the development of industry capability and capacity to construct and maintain their assets in the future.

We have provided strong contractor input into the Construction Sector Accord, changes to the Government Procurement Rules and proposed Infrastructure Commission. We have concentrated on the need for a clear and reliable pipeline of work, improved procurement, the use of standard documents and a fairer allocation of risk.

We actively represent contractors and are recognised and respected by the Government, the media and other industry organisations as a progressive future focused organisation and a source of reliable information and commentary.

Communications and networks

Improving and expanding our communications channels has been a major focus over the past year with the launch of a new CCNZ website, establishment of social media channels, hosting of webinars and development of a higher media profile.

CCNZ's network of 13 Branches and our Regional Managers remain a key connection to our members. Our Branches have actively hosted over 100 events offering great networking, informative speakers and recognition with regional competitions and awards.

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People and industry development

CCNZ has supported the development of your business and your people. We have represented you, provided advice and information, developed and contributed to industry standards, run Civil Trades, EPIC, the Asphalt Plant Accreditation scheme, regional and national awards and competitions and delivered over \$4 million of discounts to you. We have also increased our work on health and safety supporting the formation of Construction Health and Safety NZ (CHASNZ), the continued development of ConstructSafe, changes to Temporary Traffic Management and the development of a Roadworks Site Health and Safety Programme.

A strong organisation for contractors

CCNZ's strategy focuses on you our members and your people. We are continually looking for areas where we can add more value. By working together, we can better influence change and build a stronger industry that people want to work and invest in.

Peter Silcock - Chief Executive

CCNZ key achievements for 2018-2019

Advocacy and representation



More than **30** submissions at both national and regional levels

More than **100** media articles, online stories and radio interviews

More than **30** industry groups represented within the industry

Member and stakeholder value and engagement

More than **100** branch events hosted

More than **\$4M** worth of discounts provided to CCNZ members

20,000 visits to our newly launched website

More than **100** members provided with information and advice



Developing people



More than **400k** people reached with EPIC Careers in Infrastructure since launch

More than **110** member companies participated in CCNZ's national and branch competitions and awards programmes

More than **500** people Civil Trades Certified or in the process of certification



Advocacy and representation

CCNZ is the voice of civil construction. Central and local government recognise CCNZ as an industry body with whom they can constructively engage.

A proactive approach is needed to raise the profile of the industry and CCNZ, and this will continue into 2019-2020. From technical experts and policymakers to the general public, our aim is to improve understanding of the opportunities and challenges civil construction companies face so more people can appreciate the vital role the civil contracting industry plays.

Civil Contractors New Zealand works to ensure contractors' views are heard. CCNZ had many significant meetings 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.

Submissions

Over the past year we have made more than 30 written and verbal submissions to organisations ranging from Government and local authorities to council-controlled organisations on a wide range of issues, discussion papers, proposals, policies, regulations and Acts.

Results have come from these submissions, notably our submissions on the New Zealand Infrastructure Commission, the Reform of Vocational Education, immigration reform, driver licensing, new procurement rules – and many other issues.

Our technical committees have also made a variety of submissions on topics ranging from truck-mounted attenuators to mining and quarrying regulations.

Media

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

In total, CCNZ has featured across mainstream and industry media in more than 100 television interviews, radio interviews, articles and opinion editorials over the past year.

This coverage is important to bring public attention and support to the issues and opportunities contractors face. Issues such as risk transfer, the results of lowest price procurement, protection of retentions. Or on the positive side, CCNZ's Excavator Operator competitions and awards programmes.

Procurement

CCNZ's Healthy Industry Statement remains the cornerstone of our advocacy work in this area. We have been and still are involved many central and local government discussions and consultations around procurement processes.

CCNZ's profile has meant central and local government are increasingly seeking our involvement and views as they develop their procurement policies. This places us in a good position to have a positive influence on outcomes.

At the local government level, the branches, national office staff and Regional Managers have worked together very well to represent the interests of all members in these discussions. We have been an effective voice.

Our inputs have ultimately resulted in changes to the rules of procurement, the development of the Construction Accord and more and more clients engaging with us about how they can become a client of choice.

The CCNZ Teletrac Navman Construction Industry Survey included a section on procurements and this contributed increased depth to the conversation, informing the discussion to the point where the Government called for a 'construction industry procurement reset'.

Road work site safety

CCNZ working together with NZTA and Worksafe is putting significant effort into improving road worker safety, through the development of a Road Work Site Safety Strategy.

We have also worked to establish CCNZ as the peak industry body for Temporary Traffic Management. This is an extension of the work of our traffic committee which has been active for several years. This forum has allowed the industry to have a stronger representative voice, informing NZTA and Worksafe strategy and continuing to develop the Code of Practice for Temporary Traffic Management.

Construction health and safety

We have strongly supported the establishment of Construction Health and Safety New Zealand (CHASNZ) and the further development of the ConstructSafe framework.

Milestones include the transfer of ConstructSafe from the Construction Industry Council to CHASNZ, the Tōtika project to simplify prequalification, and the launch of the ConstructSafe Tier 2 for plant operators, Tier 3 for supervisors and Tier 4 for managers.

Networks and industry representation

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

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

Construction Sector Accord

Civil Contractors New Zealand has been actively involved in the creation of the Construction Sector Accord, which is intended to be a high-level partnership agreement between government and industry. While it is the first step on a journey it is intended to be enduring. It establishes a set of behaviours and value-based principles that the parties agree to uphold and be held accountable to.

We hope the Accord will be a catalyst to strengthen the partnership between industry and government to transform the sector for the benefit of all of NZ.

Value and engagement for members and stakeholders

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

Member numbers have continued to increase during the year. Our best marketing tool is still word of mouth and we have seen a steady increase in online enquiries since the launch of the new CCNZ website in July 2018.

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.

1. Traffic Committee
2. Pavements Committee
3. Surfacing Committee
4. Asphalt Committee
5. Network Outcomes Contract (NOC) Committee
6. National Excavator Operator Competition (NEOC) Committee
7. Large Contractor CEO Forum
8. Large Contractor HR and Communications Group
9. Civil Trades Board
10. Education and Training Committee

Providing discounts and opportunities for members

CCNZ works hard to establish relationships, and connecting the industry is part of why we exist.

Through our relationship with n3 – CCNZ's trade discount partner, Z fuel discounts, 15 minutes free legal advice from Kensington Swan and discounts for other major associates – CCNZ members have saved more than four million dollars in the past year alone.

The n3 saving alone represents more than double our annual membership subscription income, and an average saving of more than \$10,000 for each of the 327 CCNZ members actively using n3.

Webinars

Two webinars were delivered during the year. The first was presented in collaboration with Teletrac Navman and focused on the use of technology to overcome workforce challenges. Eighty-two people registered for this webinar.

Eighty-five people registered for the second webinar which focused on Tier 2 ConstructSafe testing for plant operators, including details of how the system works and how companies could sign up to become assessors.



The Glen Eden Storage Tank and Sewer Upgrade for Watercare Services, in Auckland, by McConnell Dowell, was Highly Commended in the Construction Excellence Awards in 2018.

Developing people

CCNZ continues to take a leadership role in championing skills development in the civil construction workforce, working with members, branches and partners to develop industry qualifications. We run the Civil Trades Scheme, arrange training and promote careers through the new EPIC Careers in Infrastructure campaign.

Civil Trades

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

We now have 350 qualified Civil Trades people, with 187 people going through evaluation to be certified, 260 going through the Recognition of Current Competency (RCC) to obtain the required Level 4 Qualification and 584 non RCC (mainly apprentices).

CCNZ thanks Connexis and the individuals who serve on the Civil Trades Board for their work on this highly successful initiative.

Education and training

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

Awards and competitions

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

The 2018 national results are detailed in the awards section of this report. Significant effort and contribution from individuals at branch level to organise regional awards events also deserves recognition. It is great to see these initiatives are building year-on-year. Branch awards are valuable for the industry as they give members a chance to meet, celebrate and build better working relationships at a regional level. They also provide recognition of standout achievements in the industry.

CCNZ is grateful for the valuable in-kind support provided by Major Associates at branch and national level, and we will look to include a new Major Associate Award to recognise this relationship at our 2019 conference.

EPIC Careers in Infrastructure

The EPIC platform has been developed to address the critical shortage of skilled people in civil construction industry. EPIC was launched in August 2018 and after seven months had reached more than 400,000 New Zealanders.

At launch, physical toolkits were sent to CCNZ contractor members, and a digital toolkit of videos was made available to members on the new CCNZ website. Social media channels and a website at www.EPICWORK.NZ were also made live to spread the word as widely as possible, with the EPIC videos viewed more than 20,000 times on Facebook alone.

Since launch, EPIC has been increasingly adopted by Branches and individual contractors as a tool for raising the profile of the industry to potential workers and career seekers. At present, EPIC provides an effective window to industry to develop awareness amongst

people who may not previously have considered civil construction to be a career path.

New partnerships have been formed with Government agencies such as the Ministry of Social Development, the Ministry of Education, Connexis and other associations. CCNZ is looking to its members, partners and associates to use this platform to promote the amazing careers in the industry.

Over the past year we have increasingly looked to engage with career seekers at the schools level, partnering with Connexis to raise awareness of the careers available in civil construction.

EPIC is a window for people to gain awareness of careers in civil construction. In the coming year, the groundwork will be done to turn this to a gateway they can use to enter roles in the industry.

Regional and National Excavator Operator Competitions



This year saw the 25th National Excavator Operator Competition – a two-day event that pushes operators to new levels and tests not only their skill but also knowledge and time management. This year we maintained the media coverage achieved last year, also creating a 25-year competition video that has been widely shared and viewed more than 10,000 times on Facebook alone.

The year's Regional and National Excavator Operator Competitions showcased the industry at several high-profile events around the country, brought the industry together, challenged and developed the skills of talented

excavator operators and providing healthy competition between members.

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



EPIC achievements for 2018-2019



Production of EPIC image library and videos showcasing careers in civil construction



Ministerial launch of EPIC at Conference



Use of EPIC resources at more than 30 events by CCNZ, branches, members and Connexis



Launch of EPIC website and social media platforms

Mailout of kits to all members, including posters, brochures and how-to booklet

Several branches and contractors hosted regional careers advisors to introduce them to the EPIC resources for career seekers



Creation of an online linking map to showcase civil construction projects and connect career seekers with work opportunities

Partnership with Ministry of Social Development to create two virtual reality civil construction experiences

Screening of EPIC hero video 375,000 times across 66 cinemas



New EPIC People video series featuring CCNZ Z People award finalists as a tool to show career seekers aspirational roles



EPIC 'Spread the Word' document providing ideas for how to use the campaign distributed to members



Promotion of civil construction on the Careers Coach, which tours NZ schools

Operations

Branches

During the year, the Hawke's Bay and Gisborne branches amalgamated to form the new Hawke's Bay East Coast Branch, reducing the number of branches to 13. These branches create a strong foundation for CCNZ and a direct link to members in the regions.

Branch meetings, events and competitions improve every year and provide opportunities for members to network, gain knowledge and showcase skills and expertise. Significant voluntary input from contractors and associate members ensures events like regional awards evenings and excavator operator competitions are well run.

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

Membership

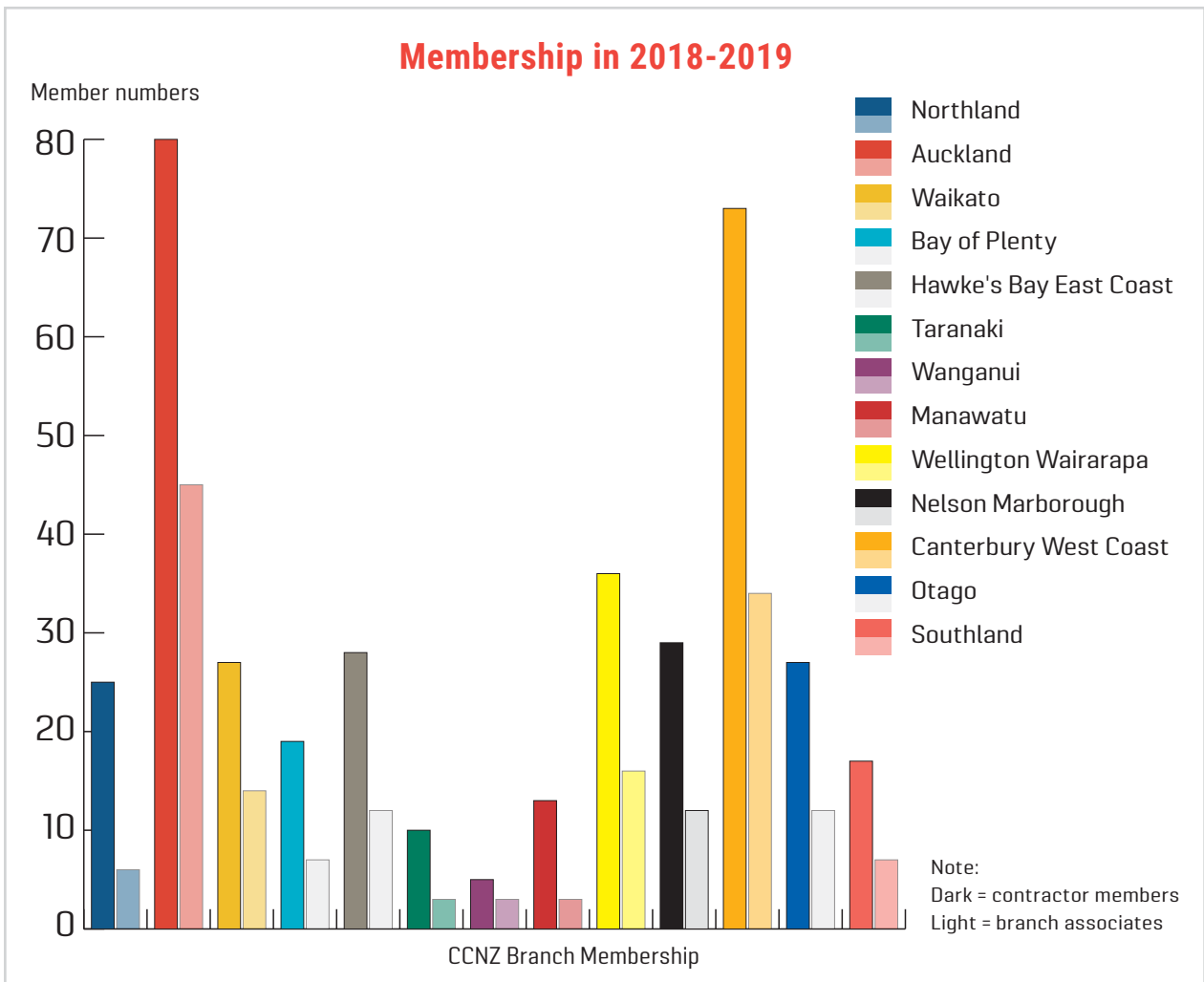
Contractor membership grew by four percent over the past year to 386 members.

When members were asked about the value of CCNZ Membership in the 2018 CCNZ/Teletrac Navman Construction Industry Survey 68 percent (58 percent in 2017) of people gave a rating of valuable/very valuable/extremely valuable, 26 percent (34 percent in 2017) gave a rating of somewhat valuable and 6 percent (8 percent in 2017) not at all valuable.

Technical

Staff and representatives from across the industry come together to engage with officials and client groups to provide practical industry knowledge and expertise into the development of technical standards, codes of practice, discussion documents and research projects.

Issues around pavement performance, a proposed





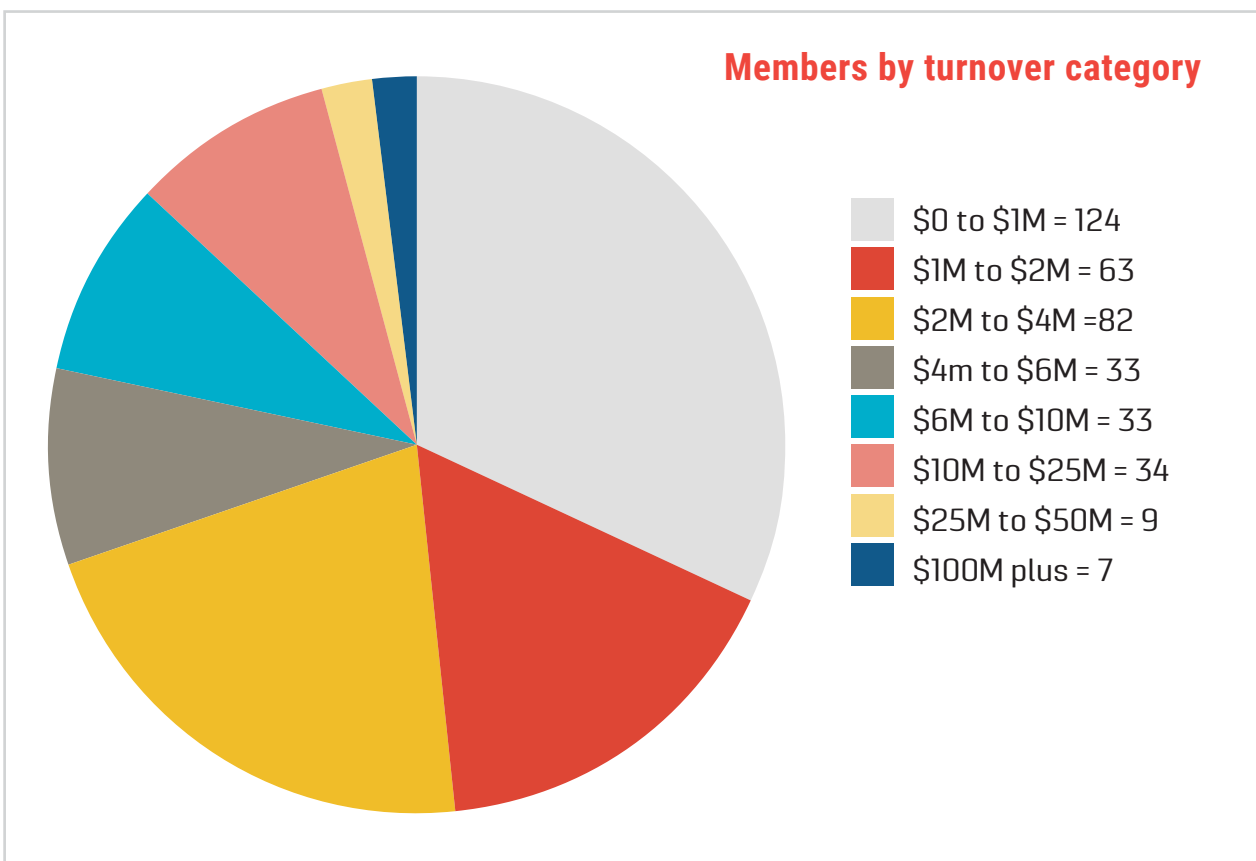
move from hot cut back bitumen to bitumen emulsions, revival and upgrade of the Asphalt Plant Accreditation Scheme, review of the NZTA Bitumen Cost Adjustment Indices and more recently the interim changes to Temporary Traffic Management have kept CCNZ Technical Manager Stacy Goldsworthy and his committee members very busy.

CCNZ's technical committees have worked hard to get several new technical documents published,

including the *Temporary traffic managers handbook*, *Speed management handbook* and *Quality assurance for bituminous binders guidelines*.

A major endeavour nearing completion is the review of the *Code of Practice for the Safe Handling of Bituminous Materials*. This is a very important document for CCNZ members, and the review is a major undertaking. The new Code of Practice is due to be published mid-2019.

CCNZ Members March 2016 - March 2019				
	March 2016	March 2017	March 2018	March 2019
Full members	356	358	369	385
Full members (pending approval)	3	3	2	1
Total contractor members	359	361	371	386
Major associates, core associates & Principal Business Partner	40	42	46	42
Branch associates	164	167	178	175
Member subsidiary	16	20	20	19
Total members	579	590	615	622



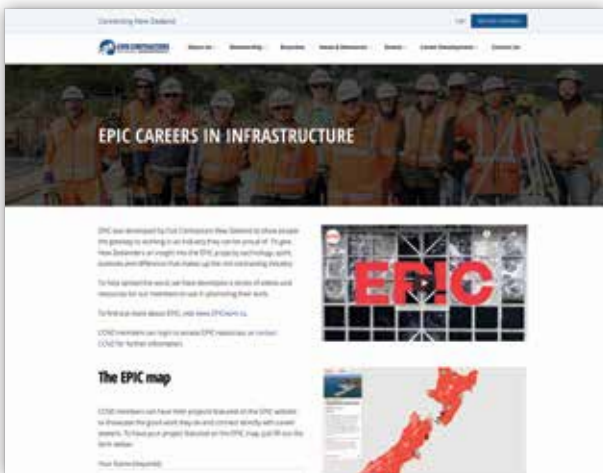
Communications

Upgrading CCNZ communications channels has been a longstanding strategic objective. Significant effort has been committed to upgrading CCNZ communications over the past year. Fraser May was employed as a full-time Communications Advisor in June 2018.

CCNZ uses its primary communications tools – Contractor Magazine, website news and events page and the fortnightly email newsletter Civil Talk – to keep members informed of coming initiatives, upcoming events and wider industry developments and trends.

Upgrades include:

- A new CCNZ website, launched in June 2018.
- Updated Civil Talk e-newsletter template
- Launch of CCNZ social media on Facebook, LinkedIn and YouTube.
- Establishment of CCNZ HR and Communications forum
- Significant increase in mainstream media coverage



New CCNZ website

The CCNZ website has been built as a news and events portal for members, as well as a repository of useful documents and resources.

From when Google Analytics was set up for the website in August 2018 to 31 March 2019, the website received nearly 20,000 visits from 13,850 unique visitors, and has received nearly 54,000 page views.

At launch, the website was receiving less than 1,000 visitors per month. Over the month of March 2019, this had built up to 3,619 users and 4,719 visits.

CCNZ on social media

CCNZ established Facebook and LinkedIn accounts in July 2018 the number of social media followers has grown to 1,000 in less than a year.

We have used high production value content and shareable content that is relevant to CCNZ members – such as videos from excavator operator competitions, which have been viewed by almost 20,000 people.

Facebook was selected as CCNZ's primary channel at launch as it provides opportunity to reach out to the broadest audience. Facebook is also useful for promoting events and other CCNZ initiatives through 'boosting' posts to targeted audiences at limited expense. Many contractors use LinkedIn and this platform will be used increasingly in the coming year.

CCNZ Conference

The 2018 Conference "Smarter Together" was co-hosted with the Association of Consulting Engineers of New Zealand (ACENZ) in Hamilton at Claudelands Arena from 1-4 August 2018. Conference was attended by 525 people from across the country, and presenters included Sir Peter Hillary and All Blacks Mental Skills Coach Gilbert Enoke.

Conference highlights included:

- The Hirepool Construction Excellence Awards, Z People Awards and Connexis Company Training Awards
 - Life Membership awarded to Past President Dave Connell and a Service Award presented to Margo Connell
 - The Battle of the Bands themed CablePrice dinner
 - A Memorandum of Understanding was signed between CCNZ and ACENZ
 - An address from Minister of Transport and Urban Development Hon Phil Twyford, who launched CCNZ's EPIC Careers in Infrastructure careers promotion
- CCNZ's 2019 'Navigating the Future' Conference in Rotorua will be held jointly with the New Zealand Roadmarkers Federation and Roadmarking Industry Association of Australia. An attendance of more than 450 people is expected.

National Office and staff

The CCNZ National Office is located at Margan House in Thorndon, Wellington. CCNZ currently employs eight staff members, including three Regional Managers. During the year, we welcomed two new staff members.

In June 2018 we recruited Fraser May to the newly created full-time role of Communications Advisor. Eve Cooper joined the team in the role of Membership and



Events Manager, taking over from Tricia Logan on her retirement in January 2019.

Financial

The overall financial result for the year ended 31 March 2019 was a surplus of \$75,665. National Office made a loss of \$25,676, Branches collectively made a surplus of \$66,985 and a Contrafed Publishing

Company surplus of \$34,071.

The result is pleasing given the reinvestment in the industry represented by the \$83,323 expenditure on EPIC and the costs associated with recruiting staff.

Overall, CCNZ remains in a strong financial position with both our Branches and National Office holding equity that can be readily accessed to respond to any critical industry issues or opportunities.

STRATEGIC PLAN 2018-2022



VISION

Quality people building quality infrastructure in a safe and thriving industry

MISSION

To be a strong advocate on behalf of members in order to maintain a sustainable industry and assist them to build quality infrastructure

VALUES

Industry Leadership
Professionalism
Working Together
Accountability

ORGANISATION WIDE STRATEGIES

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

STRATEGIC OBJECTIVES

1 STRONG REPRESENTATION AND ADVOCACY

- 1.1 Seek the views of and utilise the expertise of members, branches and associates
- 1.2 Strengthen networks with other industry associations
- 1.3 Raise the positive public profile of the industry and CCNZ
- 1.4 Represent industry on key national and regional bodies

2 MEMBERS AND STAKEHOLDERS VALUE

- 2.1 Use a wider range of communication channels to engage with members
- 2.2 Enhance member discount opportunities
- 2.3 Enhance member value to recruit and retain members
- 2.4 Increase CCNZ's value rating in the annual member survey
- 2.5 Develop a specific recruitment package for large off-shore companies operating in New Zealand

3 DEVELOP PEOPLE

- 3.1 Embed Civil Trades into industry
- 3.2 Promote ConstructSafe as the industry H&S standard
- 3.3 Recognise and reward people through industry awards, competitions, events and scholarships
- 3.4 Roll out the EPIC Careers promotion platform
- 3.5 Work with industry to promote our training and development offering
- 3.6 Promote diversity

4 OTHER

- 4.1 Manage industry self-regulation to enhance industry professionalism
- 4.2 Inform and advise members by producing relevant, concise and timely information
- 4.3 Champion best practice

COMPETITIVE ADVANTAGES



CCNZ/ACENZ Conference 2018 included our national award programmes and the CablePrice themed dinner – 'Battle of the Bands'.



Northland

CHAIR: KEITH COCKING

Financially the branch is in a comfortable position, having run a successful awards night that was well supported by national and local sponsors. Meetings and events have been well supported by members and associates throughout the year, with the general mood of the Northland civil contracting industry being positive. This is consistent with the increase in the work demand we are currently experiencing.

Civil construction in Northland is buoyant. NZTA and Local Authorities have had large tender programs, which looks set to continue for the immediate future. Forestry civil works, local commercial and residential developments have also increased over the last 12 months – local housing and subdivision work is a key driver for our members' services.

Members are busy and wish to keep up to date with industry changes and news. Looking ahead we want to attract new members so the branch represents our whole industry in Northland. Two more companies have joined, boosting local membership from 21 to 23 companies. One new branch associate member also joined.

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

The highlight of the year was our fourth Northland Construction Awards night in conjunction with our AGM. It was held at Toll Stadium in Whangarei with 206 people attending, including then CCNZ President Brian Warren and Tim Ford, who was later appointed national President in August. It was a fantastic night with some good exposure. This awards night has become the single biggest event in our programme, and now attracts excellent interest and support from sponsors and councils.

The Northland Regional Excavator Operator Competition was held at the Whangarei A&P Show in December. Riki Lum of Clements Contractors was victorious and went

The Northland Regional Excavator Operator Competition was held at the Whangarei A&P Show in December. Riki Lum of Clements Contractors was victorious and went on to represent Northland at the national finals, winning the National competition. Well done Riki.

on to represent Northland at the national finals, winning the National competition. Well done Riki. The Branch is extremely proud of you. A special thanks to key sponsors: Hirepool, CablePrice, Humes, Connexis, Z, First Gas and Doug the Digger. Thanks also to the REOC Committee led by Murray Clements and Gordon Fox for the work done in setting up the course and facilitating the competition on the day.

On a sadder note, Civil Contractors New Zealand bid farewell to Jim Hardie, who passed away on 12 September 2018. Jim was President of CCNZ predecessor the Contractors Federation from 1986-1988. He was based in Northland, and prior to becoming President, he was the first Branch Secretary for the Contractors' Federation's Northland Branch, going on to become Branch Chair. He was best known amongst contractors for his work as Managing Director of McBreen Jenkins Construction.

A special thank you to our secretary Tracey McKenzie, for all the hard work she has done this year. As Branch Chair, I have enjoyed tremendous support from our executive committee, which has been very much appreciated. A big thanks also to our Northern Regional Manager, James Corlett, who has assisted us with advice and key meetings.



The two lane Taipa Bridge under construction immediately upstream from the existing single lane which will be dismantled.



Auckland

CHAIR: PETER GOLDSMITH

Branch membership is stable with a steady influx of new members and a few dropping off. We ask members to bring potential members to the bi-monthly meetings, which has been successful. We have also produced a brochure promoting the benefits of CCNZ which we are printing and distributing to members and associates.

Financially the Branch is strong with good reserves. This year saw a small profit even with the funds allocated to the national careers initiative. Events such as general meetings, REOC and Gala night are all making small profits.

Our bi-monthly meetings have been enormously popular. We are getting 200+ to every meeting and are providing a good mix of education and entertainment, along with networking opportunities. Associates have been keen to sponsor these nights as they get most of their target market in one room.

Most members have plenty of work on their books at present. Of concern are the reports of impending reductions in Auckland Transport and NZTA works although this may be covered by additional spend from Auckland Airport, Watercare, City Rail Link and light rail. Key projects are forecast for the later part of the next decade.

Council Controlled Organisations have moved to panels of preferred contractors. This restricts the amount of contractors working direct for the principal but reduces costs at both ends.

In general, the Branch is thriving. There is new blood on the Committee, which is taking our events to a new level. The annual Awards Gala night gets better each year. Organisation is now assisted by the Auckland Chamber of Commerce. The night is a credit to the subcommittee and all those who help out.

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

Recruiting and keeping good staff is very challenging at present. In addition, the requirement to prove competency or supervise your staff adds additional cost. EPIC and other

EPIC and other promotions are slowly changing the mindset of parents and children to make it clear that we are a great industry to be a part of.

promotions are slowly changing the mindset of parents and children to make it clear that we are a great industry to be a part of.

In closing I'd like to recognise the efforts of our Secretary Joyce Tilbrook and our Branch Executive Committee for their contributions over the last year. It is a real team effort and much appreciated.



Albert Street's underground City Rail Link construction in progress.



BRANCH CHAIR REPORTS '19



Bay of Plenty

CHAIR: DAVE BURNS

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

Relationships with local councils remain positive and again members have been able to attend their forward works programme meetings during the year. A higher health and safety focus from clients is noted, especially by Tauranga City Council, who are awarding more contracts through weighted attributes rather than traditional lowest price conforming formats.

Local Bay of Plenty market conditions have remained busy over the last 12 months, with most contractors having a good forward workload. The Transport Agency have stepped up delivery in the Safe Roads Alliance space locally, with many tenders released and contracts soon to be awarded. An area of concern is Tauranga City Council's cessation of any new contracts for transportation upgrade and safety projects unless there is confirmed partnership funding from NZTA at the expected funding assistance rate.

As a Branch, we have actively been offering our members greater value through an increase in the number of site visits, which seem to have been well received. We had a return visit to the Southern Pipeline in Tauranga in late 2018 and more recently attended the Kaituna Cut project near Maketu. This was well attended and proved exceptionally

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

interesting for all. Our fishing competition was a great success with record numbers taking part.

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

Changes in specifications for base course construction are driving the use of local metals out of the market as they are non-compliant. The effect of this change means that material is being hauled from the Waikato area which means a round trip in excess of 150km.

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



Waikato

CHAIR: GRAHAM RODGERS

Waikato branch has seen a great year in 2018 and our branch meetings have had good turnouts, with everyone in a positive mood. We have had very positive feedback and would like to thank Peter Silcock for media presence and the profile he brings our industry.

There were many entries for our regional awards night and we expect to have to limit our applications for the Excavator Competition again this year. Sponsors and associates have (as always) been generous with support. Along with our extremely efficient secretary and executive committee, our events have run very smoothly.

Most members report market conditions for the last year have been very similar to the previous year with good opportunities in both the private sector and with the promise of Council work to come. Some associates have reported record sales of equipment and services with full order books for the rest of the year.

It is of concern though that even with the continuing stream of a consistent workflow, tender prices do not reflect a buoyant market. Staff resourcing has been slightly easier in some sectors but is still a significant challenge for most. Not only finding the staff in the first place, but also finding accommodation for them once a job offer has been made.

The worldwide demand for experienced staff means we are in competition with many other countries for this resource, both with staff leaving for overseas opportunities and with us trying to attract workers to NZ. Our industry now has approximately 20 – 25 per cent international workers, predominantly from the Philippines and India. Issues here include communications, licenses and culture.

Although there is confidence in workflow for the next 12 -18 months, there is uncertainty about what may come after. NZTA has signalled major changes to its infrastructure focus and promised the spend will remain the same, but we have yet to see evidence of this, or of promised work from local authorities.

After a presentation from our three local councils about work (approx. \$2.5 billion) coming up in the next 10 years,

It is pleasing to see a decrease in the number of non-negative drug tests conducted on a random basis. These results are now tending to be a mix of THC, Meth and amphetamines. Decriminalisation will bring some interesting workplace discussions.

Hamilton City Council approached the Branch. The purpose of the meeting was to assure us as an industry of a secure forward workload, and for councils to ensure sufficient resources were available to cope with the work being released. There seem to be increasing delays in getting other work released from councils and engineers as well. This is mainly around the development and sub-division projects.

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It is good to see more women coming into the workforce on site and they seem to be finding their niche as operators and STM Supervisors. Promotion of EPIC to our industry has been steady, but the job board facility is not yet being used by our members with currently no listings on the site for the Waikato.

Road worker safety has been prominent in many discussions following the recent deaths in the Bay of Plenty. It has highlighted once more the importance of traffic management in the safety of our workers on site and the need for more public education about how to behave when travelling through our sites.



Waikato Expressway in progress.



Hawke's Bay East Coast

CHAIR: ROB BEALE

The Hawke's Bay and Gisborne branch committees were tasked with working through the proposal to amalgamate the two branches to become one, and I must congratulate everyone involved for their pragmatic approach to the issues this raised.

On the 27th June 2018 this merger was ratified by the National Executive Council. The work put in by Central Regional Manager Ross Leslie must be acknowledged in this excellent outcome and I am happy to report the merger now cements a strong future for the newly formed CCNZ Hawke's Bay East Coast Branch.

Membership and branch associate numbers are growing. New enquiries from across the region have translated into an increase in our full members from twenty-four to thirty, with branch associates now numbering fifteen. We have a strong committee with good representation from both contractors and associates and I would like to thank them all for their support hard work over the last year.

A significant increase in funds over last year's result is due to the transfer of monies from the Gisborne branch as part of the merger.

The Hawke's Bay East Coast regional economies are performing strongly with most contractors reporting an abundance of work – but a shortage of skilled labour is continuing to create challenges. One problem as a result of this skills shortage is that contractors are having to hire people with a skill set below what they wanted to get the work done. This tends to have a flow on effect to productivity, quality and an increase in damage to plant.

The Hawke's Bay East Coast regional economies are performing strongly with most contractors reporting an abundance of work – but a shortage of skilled labour is continuing to create challenges.

The Regional Excavator Operator Competition was strongly contested this year with fourteen competitors battling it out. When the final scores were tallied first and second place were separated by only one point with Tui Paikea from QRS in Wairoa taking out the top honours. Tui went on to represent the bay at the Nationals in March and thoroughly enjoyed his experience.

The branch ran a number of successful functions during the year, starting with the HB Cup race day where we took over one of the members stands at the Hastings Race Course in April. In July, the "Gough's Night" was held, with our members and associates bused from Napier through to the Leopard Hotel in Waipukurau. This was the twenty-fifth year Gough's sponsored this event and a big thank you must go out to Jason Cheetham and his team for their ongoing support. The year culminated with over 150 people attending our annual awards dinner.



BRANCH CHAIR REPORTS '19



Taranaki

CHAIR: AL GREENWAY

A stable local market seems to be the opinion of most of the members, with some pickup in the petrochemical industry.

Contractors have enough work to keep them busy in the region, with the Mount Messenger realignment of State Highway 3 presenting a major opportunity – ongoing with no start date.

Contractors have good relationships with local authorities and other organisations but recruiting and retaining new members is a challenge for our branch at present, as is getting existing members to participate in the branch meetings and other activities.

Russell Vickers, Vickers Quarries and Branch Associate member kindly hosted a social gathering. His lifelong collection of worldwide geologies was showcased. This was an enjoyable and interesting day.

Taranaki revived its Regional Excavator Operator Competition on 11 November, with Callum Critchley of Offshore Plumbing and Services winning the regional title. The general feeling amongst the branch members was that

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a successful day and competition was held.

Thanks to Ross McEwan (Whitaker Civil Engineering Ltd) for his huge effort in organising the Excavator Competition, and gratitude to CablePrice NZ Ltd and Humes NZ for their sponsorship.

We host scheduled bi-monthly Taranaki Branch member meetings. We have been joined by two new contractor members in the last year. The branch has a very healthy financial position, and our branch members have a positive outlook for the future, although we are looking for ideas to recruit new members.





BRANCH CHAIR REPORTS '19




Wanganui

CHAIR: HAYDEN LOADER

Overall the branch is in a solid position and membership numbers are stable. Financially we broke even for the year.

There are a couple of big local projects some of the members are working on. There are two substantial storm water pipe installations and the other a large NZTA walkway remediation caused during the 2015 floods. These projects are due to finish this year. Downer were the successful tenderers for the WDC Alliance contract in July last year and have begun the 10-year contract. They continue to carry out the improvement and maintenance of local infrastructure including the addition of shared cycleways and footpaths.

Locally business in general is buoyant. Trying to hire gear and people is a struggle. Tender responses for council jobs have been sporadic. The council staff are finding it hard to determine how many bids a tender is going to get (if at all in some cases). They are trying to find ways to make the tender attractive for more bids.

The local council is putting out a steady amount of work and is still keen to be involved with the branch, which is appreciated by our members. Much of the slip work on SH4 north of Wanganui has been carried out with the remaining few projects of a size required to go out to tender. The town itself has seen steady population growth putting a strain on housing.

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

One not so new (but notable) issue affecting more

The local roads are not going to hold up to the increase in heavy vehicles. Because of this, who foots the bill for the repair of the roads is a hot topic for discussion.

than one local project at the moment is the consent process. The effect and cost the consent process has on infrastructure projects is obscene. Whether it's the lack of negotiation skills local authority employees have or the power certain sectors or organisations decide to wield to halt progress, it ends up affecting us all and needs addressing.

As a branch we held a meeting in February of this year. The meeting has historically been held in September but with a change in council personnel it was decided to put the meeting off until the new people had a chance to gather the information. The meeting was centred around a report from the Whanganui District Council and their upcoming works programme.

Finally, with New Zealand being such a small country the tragic event in Christchurch affected us all. I have heard of several local Wanganui connections with people who were caught up in the tragedy. A truly terrible day for the country.

Special thanks to secretary, James Bowen and support person, Alison McLean for managing the branch administration. I look forward to another positive year.



Manawatu

CHAIR: GREG LUMSDEN

Branch membership is still on the rise with two new member packs having gone out and two confirmed new members being Central Demolition and Clarke Underground. Branch financial health is sound with a good surplus on the balance sheet.

The general mood of members is good, and we are lifting our game to encourage young, new members to come on board while encouraging existing members to participate more in branch activities. We have a race day and another trip to Ohakea fire and rescue planned.

The local market has continued to grow with regards to subdivision work and local authority expenditure has increased. There are currently many large projects south of Manawatu that require our region's resources and manpower; such as Otaki and Levin bypass, also the trestle bridges just south of Foxton. The new Manawatu gorge bypass has been announced with a 7-8-year completion date. Transmission Gully also requires our region's resources.

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

The major events during the past year have been the Manawatu Regional Excavator Operator Competition in conjunction with the newly formed intercompany competition, which has resulted in new members and other members wishing to join. The regional competition attracted 18 competitors and four companies competing for the title. The winner was Jim Beamsley, and the company winners were Central Demolition.

The very well run and executed National Excavator Operator Competition (NEOC) was another monumental task.

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Running the NEOC each year takes a huge commitment from the Manawatu Branch of a dedicated team of good bastards who give up their time, machinery and expertise to make the event as great as it is.

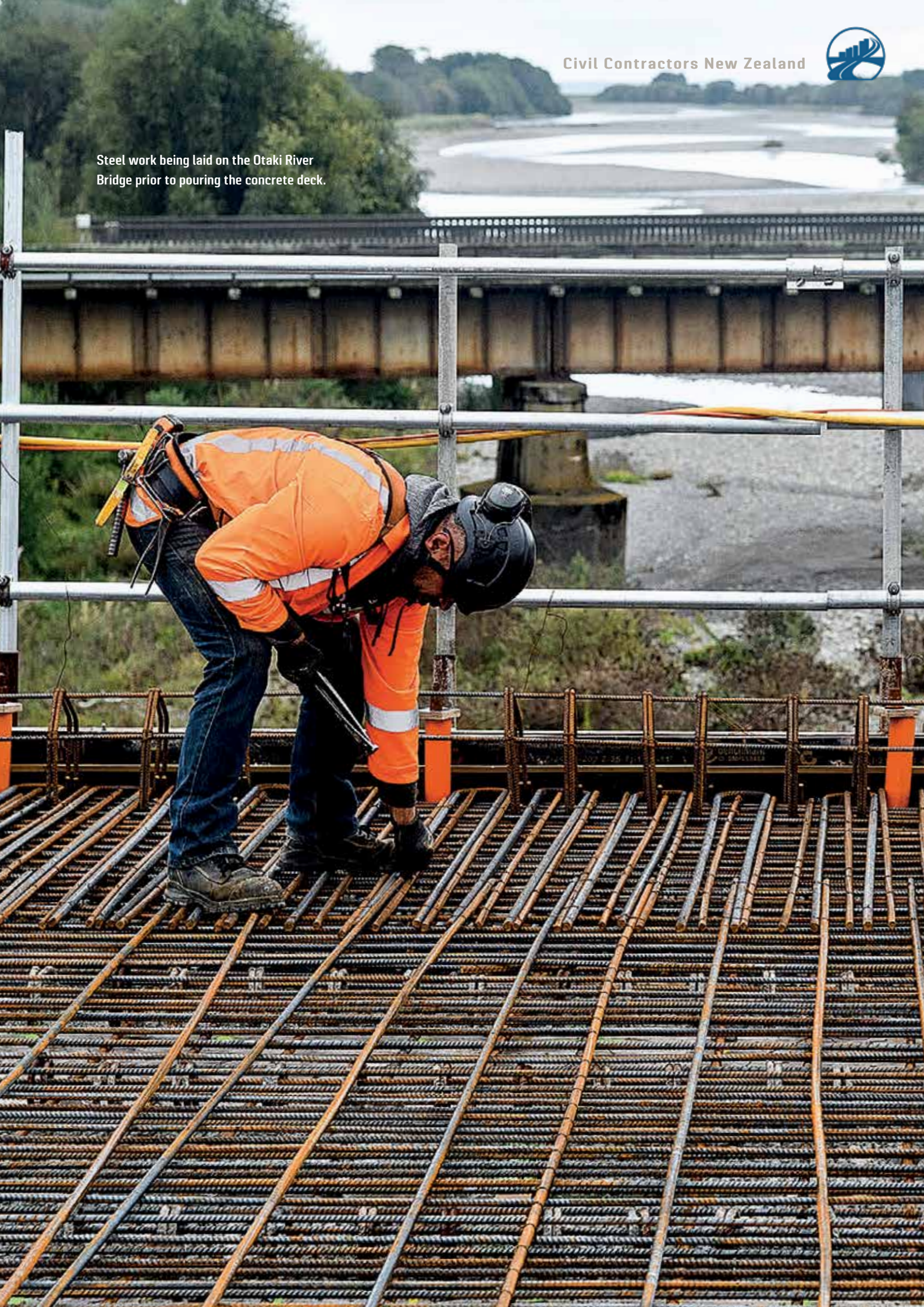
A huge thanks goes to this great team of good bastards and the excellent support from the CCNZ sponsors who provide funding and goods and services for the event, particularly CablePrice, Hirepool, Z and Humes. Also, thanks to Eve Cooper who was thrown in the deep end and made things work at head office level.

A major challenge for members is attracting and retaining skilled staff to resource the work coming through. Another challenge is to find ways to get branch involvement from the larger companies in the region, although the involvement of Higgins Manawatu worked well this year.

We have this year a new secretary being Ashleigh Smith and treasurer Sharon Cage. A big thank you to the both of them for stepping up.



Steel work being laid on the Otaki River Bridge prior to pouring the concrete deck.





Wellington Wairarapa

CHAIR: EDDIE CARSON

What a great year it has been for the branch and the industry in Wellington. As Chairman, I would like to thank our contractor and associate members for their support during the 2018/2019 year. I would also like to acknowledge the sponsors throughout the year for their generosity supporting branch meetings and events.

Wellington Wairarapa Branch continues to maintain its membership, with branch meetings well attended and an increasing percentage of both associate and contracting members of late. We have maintained the balance of contracting members and associates within the Executive Committee. I would like to thank Andy Poole who resigned from the Executive Committee and welcome our new committee members, Paul Nixey and Phil Milson.

Longstanding member of CCNZ Wellington Wairarapa Branch David Howard stepped down as Chairman in 2018. On behalf of the branch we would like to thank David for his dedication and commitment to the branch over a considerable amount of years. At the 2018 National Conference, David was successfully elected to the CCNZ National Executive Council.

The Executive Committee continues to look for ways to make meetings interesting and worthy of attending. The Branch is well supported by National Office, with our Chief Executive Peter Silcock regularly attending meetings along with Eve Cooper and our new Central Region Manager, Ross Leslie.

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

In 2018, we saw the next stage of the Expressway from Peka Peka to Otaki get underway and we have seen huge progress on Transmission Gully. In early 2019, we saw the

In 2018, we saw the next stage of the Expressway from Peka Peka to Otaki get underway and we have seen huge progress on Transmission Gully.

introduction of Wellington Water's Capex Contractor Panel, with three contractor teams gaining a spot on the panel and a sustainable long-term plan for prospective works. Civil construction in Wellington Wairarapa is healthy, overall.

We have seen Wellington Water develop the Health & Safety Contractor Forum further and focus on a number of important factors, including improving consistency across the board in the region, among both Consultants and Councils.

We are set to focus on quality training and qualifications for our teams with the development of the CCNZ Careers Promotion that was launched in August last year. As a Branch we agreed to back the promotion and are looking at ways to encourage training through the Branch.

We host some fantastic events, such as our annual Construction Awards (which raised 7,000 for the Te Omanga Hospice in 2018), Regional Excavator Operator Competition and Tudor Distributors Barrel Filling Competition. Congratulations to our Excavator Operator Competition winner – Blair Hartle of Goodmans. Thank you to the organisers, sponsors and supporters, but most of all thank you to the companies and operators who took the time to enter. We also host an annual Branch Quiz Night and Golf Day.

Thank you to all of our members who attend, sponsor, support, judge and organise our events and meetings during the year.



Te Puka stream diversion work underway, Transmission Gully project.



Nelson Marlborough

CHAIR: MALCOLM EDRIDGE

The Nelson civil construction market has been very solid across the board, mainly due to private development. It has been a very busy year and work is currently steady with a lot of residential and commercial private development in progress, keeping most of our membership busy.

The industry had different challenges over the past 12 months with an atypically wet 2018 and a very dry 2019. The extreme dry caused unique conditions for our industry. The large fire in the region caused a civil defence state of emergency and Section 91, which enforced restricted work hours and types of work we could do on grass/vegetated areas. Combined with extreme water shortages it was challenging during February and early March 2019.

The forestry sector is back to business as usual in Nelson but had two months of disruption with extreme fire risk conditions causing sawmills to run restricted hours or stop altogether. Overall the forestry sector has had a solid year and remains steady with strong demand, pricing coming out of China and maturing forests in the region. The industry has seen some change in corporate forest ownership but this has not changed the level of business.

NZTA work in the region is generally maintenance-related, but with significant weather events around Cyclone Gita in early 2018 this created a lot of emergency work around the Takaka Hill and Motueka areas. This work is largely complete now, although permanent repair work on Takaka Hill is still in the design phase.

The Marlborough market is steady and would appear to have normalised back to pre-earthquake/NCTIR levels. Civil construction has continued, but will require land re-zoning for continued development of residential land so a potential slowing of this area could be on the horizon until the re-zoning and appropriate consenting takes place.

We need to work closely with local authorities to ensure our industry can meet the requirements of the Councils. We

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are continuing to discuss this with council management.

Our branch has a good relationship with local government clients and regular meetings are standard practice. During the Nelson fires and drought, CCNZ was the main contact between local authorities and industry in managing work conditions and water shortages.

The viticulture sector remains positive with continued new development. A generally wet 2018 slowed the demand for water storage, but with the drought in early 2019 demand is expected to rise in 2019/2020. Three new wineries are either going through the consent process or in construction, which shows the confidence in the industry.

We would like to thank Kerry Hunter for stepping into Tim Glanville's role of Marlborough Region Vice Chairman. Thanks also to Tim for the fantastic work he did for CCNZ Marlborough and we wish him all the best in his new role in Christchurch with Fulton Hogan.

Thanks to the Tasman Aggregate Users Group for the Gravel Levy. This is a great help for the Nelson Marlborough CCNZ Branch. Thanks also to our local Executive Committee Members for their time and support of the Branch. Thanks to Paul Barratt for stepping into the vacated Nelson Vice Chairman's role.



BRANCH CHAIR REPORTS '19

Canterbury Westland

CHAIR: JEREMY DIXON

The Canterbury Westland Branch has had an interesting and busy year. We have revamped our events and social calendar to be based around engaging transformational speakers including John Spence, Gilbert Enoka, Laurie Sharp and Mike King to give inspiring presentations to our members on a wide range of topics. These talks have been a real success with great turnouts for each.

The Excavator Operator Competition was run a bit differently this year, combined with the open day of one of our branch associates, Road Metals Quarry. We had many entrants and deserving winners in Kahen Wilson of Schick Civil Construction (Novice and Overall winner), and Tom Fortune of CB Civil (Experienced category winner).

Our annual Contractor of the Year awards evening was, as always, a great success. The organising committee does an amazing job each year. The 2018 event was no exception. We had a record number of awards entries received. Congratulations must go to all the deserving winners. Special thanks to major sponsors Gough's and Humes.

The branch has a strong membership base, enhanced with four new members coming on board and only two resignations, one of these being Rusbach Bros who wound down the business so the brothers could enjoy a well-earned retirement after a long successful run. Associate member numbers have risen by five. Finances remain stable, which has enabled the Branch to invest back into members and the wider industry.

This investment has taken the form of Connexis Scholarships for members – an initiative involving Connexis and Shirley Boys High School to train year 12 and 13 students to be work ready for trade industries when they leave school. This initiative has a heavy focus on civil contracting. This is in its second year and has proven to be a great success. Special thanks to BG Contracting and Isaac Construction for providing significant time and resources.

All of this happened in a year where the local market has slowed significantly. Major work following the Kaikoura

Major work following the Kaikoura Earthquakes has largely been completed. NZTA work in the area is largely based around two motorway projects and existing maintenance contracts.

Earthquakes has largely been completed. NZTA work in the area is largely based around two motorway projects and existing maintenance contracts. Christchurch City Council has a large portion of its spend tied up in panel work, and the general commercial and private development market has slowed (as expected).

This means in general there is less work out there. The local industry recognises this. Many are working through what the "new norm" looks like for them. This is one of the reasons for the Canterbury Westland branch focusing so heavily this year on providing events that could help our members, in some way, work through these challenges and get on the front foot.

While Westland workflow seems more consistent than the Canterbury market, I do not see the market improving in the coming 12 - 24 months. Industry must adapt, and this will be the biggest challenge for most members.

We meet each month to help where we can, raise issues where needed as advocates for members, and provide events to upskill and inform our industry. The committee has worked hard this year to provide value, I would like to recognise this and thank them for their efforts. Many go over and above expectations and commit significant time to the cause.

Special thanks to Branch Secretary Karlyn Webley and Ollie Turner our CCNZ South Island Regional Manager, all of our associates and sponsors for their support, and our members for their engagement.

BRANCH CHAIR REPORTS '19



Otago

CHAIR: KANE DUNCAN

Contractor and associate membership is on the rise with three new contractor members and one new associate. We have a few potential new members, with no resignations.

Our general meetings are gaining member attendance, and we are looking to have a lot more of these in the 2019/20 year. Involvement of members is increasing, and the feedback is good. Having Raewyn Murray on board as the new Otago secretary has added a higher level of activity and increased member involvement.

Our Regional Excavator Operator Competition attracted a record 22 competitors with great involvement after the implementation of the Company Award for most competitors involved.

The Young Contractor Award is gaining momentum with a record number of entries this year, and more emphasis is being placed on promoting this for the 2019 Year. Special thanks to Hynds and Hirepool for their ongoing support of our events, and thanks to all our Major Associate and Associate Members for their ongoing support and sponsorship

Most of the Otago region is busier than in 2017-2018. Central Otago is very active with local authority projects for tender. Councils are looking to adopt the Panel Contractor approach for these projects within Queenstown Lakes District Council and Dunedin City Council.

Collaboration with local authorities is on the rise within the executive subcommittees, and we have developed an Annual Structured Plan to meet with local authorities every two months. The quality of relationships with local authorities and the branch are good, and we are building especially good relationships with the Queenstown Lakes District Council, Otago Regional Council and Dunedin City Council. Local roading and maintenance contracts are steady.

General and rural contracting is also steady, but private developments are on the rise. Most members in the Queenstown Lakes and Central Otago regions are involved with subdivisions and private developments.

Work opportunities are plentiful. Members are struggling with staff shortages to keep up with rising development.

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Otago Regional Council signed again to Sponsor our new Environmental Award, which increased the number of entries into the Awards for 2019. Branch associates are active and are supportive at sponsoring local events.

The financial health of the branch is very good. We currently have \$48,117 in the bank with no outstanding invoices. We made a profit of \$5,761.00 for the year; up thanks to income from our Dunedin AGM & Construction Awards which saw a record attendance of 330.

Challenges for our branch include getting members actively involved in branch events due to how busy our members are with workload and other commitments. Regional spread limits the amount of people in attendance to general meetings and our awards night.

Ensuring Members are well informed of what is happening within the Executive Committee and with Local Authorities, training organisations and member opportunities is a challenge, but perhaps unsurprising with an Executive Committee spread across 280kms. Thanks to Raewyn Murray our New Secretary, Shane Bingham our Vice Chairman and Aaron Chave and Scotty Sutherland who have given great support over the past 12 months.



Nevis Bluff face, between Cromwell and Queenstown with SH6 below.



Southland

CHAIR: REGAN McRANDLE

Southland Branch has been moving along with membership numbers remaining steady. We are currently working with two new prospective members we hope to have on board soon.

We have had a busy year pushing Civil Trades and the EPIC campaign and have been fortunate to partner up with Venture Southland (the local Economic Development Agency), visiting a number of schools in the region and careers day/evenings, giving presentations about a career in Civil Trades industry (the EPIC campaign has been a fantastic resource).

We also have representation on the 'Southland Youth Future Working Group' which brings together schools, employers, training providers, industry organisations and Government agencies to strengthen the pathway between education and employment and improve outcomes for young people in Southland.

In the past year, the Branch held our third Construction Awards. We increased the project categories to include a Sub-contractor and Rural Civil Award to give opportunity to all members. The awards help us celebrate local success, particularly the Peoples Award which works well in conjunction with Civil Trades. Each year has seen an increase in entries and another successful night for our members.

Due to the success of the Construction Awards, the branch is currently very healthy financially, and a good financial result from this evening allowed us to offer discounted industry training courses to members throughout the year.

The past financial year has been good to our members. This has been a result of the dairy price steady and the farming sector increasing maintenance work, which has benefited some of our smaller members. Sizeable projects have increased, both privately and from the government, with the NZTA SH1 Edendale Bypass and larger Local Authority Underground Drainage Service contracts as notable examples. Many large developments in the

The sustainability of the industry in our region is a major challenge for the Branch. As a result of low regional investment, there is a shortfall in trained and competent operators. The EPIC campaign is helping us get a start but will take time.

Invercargill CBD have started and are currently in consent hearings. There is also continued opportunity arising in the Central Otago region, which benefits our local members.

The branch relationship with local government is a work in progress. Currently it is 'hard' work, especially trying to get a reasonable commitment on forward work programmes. If funding is made available there are major opportunities with local government upgrading some very old infrastructure in the area, in particular SDC Bridges.

Currently there are 170 bridges that require replacement, and six roads have closed in the last three months due to the bridges not being safe. There is also a requirement for additional infrastructure in the region to accommodate increasing tourist numbers visiting each year.

The sustainability of the industry in our region is a major challenge for the Branch. As a result of low regional investment, there is a shortfall in trained and competent operators. The EPIC campaign is helping us get a start but will take time.

Due to the sparseness of the region and our low population it is difficult to recruit the right people. Although the past year has been good for our contractors, there is still a need of confidence from national and local government to ensure there will be a steady amount of work going forward to all contractors.





Key People

CIVIL CONTRACTORS NZ POSITIONS HELD IN 2018-2019

Executive Council

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

National Office

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

Northland

SECRETARY Tracey McKenzie
CHAIR Keith Cocking

Auckland

SECRETARY Joyce Tilbrook
CHAIR Peter Goldsmith

Bay Of Plenty

SECRETARY Mike Lenihan
CHAIR David Burns

Waikato

SECRETARY Nicki Carson
CHAIR Graham Rodgers

Hawke's Bay East Coast

SECRETARY Sue Selwyn
CHAIR Rob Beale

Taranaki

SECRETARY [TBA]
CHAIR Al Greenway

Wanganui

SECRETARY James Bowen
CHAIR Hayden Loader

Manawatu

SECRETARY Ashleigh Smith
CHAIR Greg Lumsden

Wellington Wairarapa

SECRETARY Laura Dews
CHAIR Eddie Carson

Nelson Marlborough

SECRETARY Megan Gibbins
CHAIR Malcolm Edridge

Canterbury

SECRETARY Karlyn Webley
CHAIR Jeremy Dixon

Otago

SECRETARY Raewyn Murray
CHAIR Kane Duncan

Southland

SECRETARY Lauren McKinnel
CHAIR Regan McRandle





CIVIL CONTRACTORS / HIREPOOL

Construction Excellence Awards '18



WE WOULD LIKE TO ACKNOWLEDGE THE FOLLOWING WINNERS OF THE HIREPOOL CONSTRUCTION EXCELLENCE AWARDS



CATEGORY 1A: Projects up to \$5 million – smaller companies

WINNER: ARC Projects – Knights Drain and Pump Station

This project included a cast in situ concrete deep well construction, installation of major pumps and associated control equipment, connection to a rising main, an intake structure and associated site works and remedial landscaping.

All this work was carried out in a wetland area with a very high water table that impacted on the works. The planning of the works was to a high standard with the temporary works providing a safe site with access throughout.

For its size the project was complex, a challenging timetable was achieved, the outcome was to a high standard and positive working relationships with the client and consultant were shown. There were aspects of innovative thinking and project delivery achieved.

The project is a credit to this young company and provides the owner and the team an excellent track record to build off for future works and company growth.



CATEGORY 1B: Projects up to \$5 million – larger companies

WINNER: Schick Civil Construction – Victoria on the River

This project for the Hamilton City Council helps connect the City Centre to the Waikato River.

The 4000m² section was originally the site of a large commercial building that had previously been demolished to ground level, but not below. A complex architectural design led to tenders exceeding available funds. To resolve this the Council worked with the lowest tenderer to reduce costs while still delivering an asset for the City of which it could be proud.

Set in the heart of the city, on a challenging site with many unknowns and difficult conditions, the parties involved collaborated closely to reduce costs, share risk and plan a facility that allowed Council to meet its budget

This project is an excellent example of what can be achieved with all stakeholders working closely together to deliver an outcome that overcame initial difficulties, while at the same time producing an asset for the City that is very attractive, functional and affordable.

HIGHLY COMMENDED: March Construction – Ocean Outfall Joint Replacement



CATEGORY 2: Projects between \$5 million and \$20 million

WINNER: HEB Construction, Thorndon Container Wharf Temporary Works for CentrePort

This \$19 million project was for the recovery of the wharf from earthquake damage as quickly as possible to enable container movements to recommence. This work was developed through an enlightened client who separately sourced the skills and experience required.

The client, HEB Construction and a number of consultants were chosen and they all worked together to agree the design that would get the facility quickly and safely operational and taking into account resources that could be readily secured within New Zealand. This involved HEB's very successful repairs to the wharf tied in with the operational logistics of container movement to be transformed from business as usual to a completely new process.

This project is a great example of the whole team working collaboratively throughout to develop and construct within the challenging environment of a severely damaged structure and marine area to achieve the reoperation of the container wharf within 10 months and delivering commercial benefits to the Wellington region. New Plymouth Council, and all parties were proud of the completed works.

HIGHLY COMMENDED: McConnell Dowell – Glen Eden Storage Tank and Branch Sewer Upgrade for Watercare Services.



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

WINNER: Downer NZ / HEB Construction – Waitangi Wharf Upgrade, Chatham Islands

The judges note that all four finalists in category 3 this year were outstanding projects.

The Waitangi Wharf is a critical lifeline for the Chatham Islands, being the only port for commercial fishing operations, export and import freight operations including livestock and shipping of consumer items for the community.

The upgrade, consisting of a new wharf and breakwater together with new port facilities, provides security of supply for the foreseeable future and hence the importance of this project to the residents of the Chatham Islands. The upgrade project was undertaken by Downer and HEB, as part of the Memorial Park Alliance, for the Department of Internal Affairs and was completed on time and to budget.

The challenges of location and weather conditions ensured the project had a pioneering element to it. A workers' camp was required for the 50 strong workforce, being a six percent increase in island population. The project set up a concrete batching plant, precast yard, engineering workshop and site offices including its own power and water supply. A greenfield quarry was developed to supply the 100,000m³ of rock for concrete production and wharf reclamation. The development of strong stakeholder relationships and a strong team culture overcame other challenges including working in the middle of a congested live port and the variable weather conditions.

The judges acknowledge the other members of the Memorial Park Alliance, being the NZ Transport Agency, Tonkin and Taylor and AECOM.



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

WINNER: McConnell Dowell / HEB Construction JV – Mangere BNR Upgrade

Watercare's Mangere Wastewater Treatment Plant Biological Nutrient Removal Upgrade is a very significant expansion of the country's largest treatment plant, complicated by the need to insert transfer facilities within the operating plant to allow extension in a new greenfield facility on adjacent land.

The project, for Watercare, expands the capacity of the existing plant to ultimately provide for treatment of an additional 4m³/sec of effluent using a new, more energy efficient process, on an adjacent site. This expansion requires shoehorning a significant transfer pump station and associated pipework into the operating plant to connect the new greenfield secondary treatment facility. Construction and commissioning of very significant water retaining structures, associated facilities and pipework for producing and distributing process air to manage biological growth and removal of sludge produced by the process for transfer back to the existing plant for final processing is required to achieve this.

The HEB Construction/McConnell Dowell Joint Venture won the competitively bid project which required construction on very poor ground, to very close tolerances while incorporating new facilities into Auckland's main treatment plant while keeping it in operation.



CATEGORY 5: Maintenance and management of assets

WINNER: Taylor's Contracting – Tasman District Rivers Maintenance

This unique contract involves the maintenance of 285 kilometres of rivers within the Tasman District Council area. Taylor's Contracting has brought sophisticated systems and new technology to bear on the planning and execution of this work so that, instead of being almost purely reactive, works are planned, vetted and recorded in a similar manner to a roading contract.

Working with the Council to change thinking from a reactive to a more proactive way of maintaining this asset has resulted in a more systematic way of programming work with cost benefits flowing to both the client and the contractor.

While there will always be an element of reactive work required after storm events, management of the river system has been improved over the years and the contract held by Taylors Contracting. The Judges consider that the approach employed here could well be a model for similar contracts in other areas with extensive river systems.

The contractor has demonstrated a willingness to work closely with Council, Fish and Game and affected landowners to protect water quality, fauna and flora, and adjacent property. All parties involved are highly satisfied with the result.



Z People Awards 2018

EMERGING LEADER CATEGORY

WINNER: Quintin Rolston (Isaac Construction)

TRAINING AND DEVELOPMENT CATEGORY

WINNER: Jake Alderson (Higgins)

Connexis Company Training Awards 2018

UP TO \$10M COMPANY TURNOVER CATEGORY

WINNER: Connell Contractors

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

WINNER: Isaac Construction

100M+ CATEGORY

WINNER: Fulton Hogan Bay of Plenty

CablePrice National Excavator Operator Competition 2018-19

WINNER: Riki Lum, Clements Contractors, Northland

RUNNER UP: Jim Beamsley, Central Demolition, Manawatu

THIRD: Josh Keane, SouthRoads, Otago

HUMES GOOD BASTARD AWARD: Jason Toomer-Reti, ICB Retaining & Construction, Auckland

CONTRACTOR MAGAZINE ONE DAY JOB: Riki Lum, Clements Contractors, Northland

REGIONAL EXCAVATOR OPERATOR COMPETITION WINNERS

DEFENDING CHAMPION: Troy Calteaux (Andrew Haulage)

NORTHLAND: Riki Lum (Clements Contractors)

AUCKLAND: Jason Toomer-Reti (ICB Retaining & Construction)

WAIKATO: Michael Bowe (Bowe Brothers Excavating)

BAY OF PLENTY: Brandon Crowley (Crowley Excavators)

TARANAKI: Callum Critchley (Offshore Plumbing & Services)

HAWKES BAY: Tui Paikea (Quality Roading and Services)

MANAWATU: Jim Beamsley (Central Demolition)

WELLINGTON/WAIRARAPA: Blair Hartle (Goodmans)

CANTERBURY/WESTLAND: Kahen Wilson (Schick Civil Construction)

OTAGO: Josh Keane (SouthRoads)





Principal Business Partner & core associate members

Principal Business Partner

Hirepool

www.hirepool.co.nz

Hirepool has been the Principal Business Partner since 2005

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



Hirepool has all your hire equipment needs.

Core associate members

Z

www.z.co.nz

Z has been a Core Associate for many years

- Discount fuel scheme
- Z People Awards (Emerging Leader / Training and Development)
- National Excavator Operator Competition



Kensington Swan

www.kensingtonswan.co.nz

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

- Principal Sponsor of the National Excavator Operator Competition
- Sponsor of the contractors' themed dinner at Conference

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





Major associate members

Supporters of Civil Contractors NZ from April 2018 to March 2019





Contractor members 2018-2019

\$0 – \$1 million

Able Trucking	Earth Stability	Mora Earthmoving
Acon Industries 2015	Enviro Infrastructure Pts	MRT Construction
AcreWorkz	Fergusson Contracting	Mules Construction
Alex Field	Fox Earthmovers	Murray Weston
Apes Contracting	Franz Hire & Contracting	Newman Excavations
Artisan Paving	Galbraith Earthmovers	Nicholls Earthworks and Drainage
ATD Services	Geoff Jukes Contracting	Nick Vanderley Contracting
B Pull & Sons	Graffiti Doctor NZ	Northland Mobile Crushing
BACESYS	Greenstone Concrete & Asphalt	Northland Transport
Beeby Contracting	Greenworx	P & T Contractors
Billington Transport	Greg Inch Earthmoving	P R Leslie Contracting
Blair Excavation	H Blackbee Contractors	Partridge Contracting
Blake Civil Construction	Halverson Civil	Paul McDonald Earthmoving
Blenkiron Bros	Hatuma Lime Contracts	Paul White
Bowe Brothers Excavating	Hauraki Construction	Petco Contracts
Brian Hoffmann	HGM Construction	Pro Arbore
Bull Earthworx	Hollands Excavation	Project One Construction
Byfords Construction 2014	Independent Construction	Rae Asphalts
C W Drilling & Investigation	Independent Contractors	Ranui Construction
Cape Mowing	Its Earthmoving	Recr8 Contracting
Carran Scott Contracting Co	Jamieson Earthworks	Robert J Mitchell Contractors
CCA Earthmoving	Jensen Contracting & Drilling	Rocka Excavation
Chris Gommans Contracting	JGR Contracting	Rosco Bobcats
Clarke Underground	John Bayliss & Co	Roxburgh Excavation
Cloutman Brothers Mining & Dredging	John Fletcher Contracting	Santo Drainage & Contracting
Complete Site Solutions	John Leathwick	Scarlett Contracting
Compton Civil	John Shepherd Contracting	Shane Gribbon
Crooks Contracting	JPS Earthmoving	Shaw Asphalters
Crowley Excavators	JR Works Group	Steven Tidswell Contractors
Currie Construction (2012)	Keene Krib 2000	Storm Waters Contracting
D & C Hill	Kerepehi Transport	Swale Earthmovers
D A McNeil	Kevin G Grant Contracting	The Digger Collective
Decmil Construction NZ	KEV's Concrete Cutting	TPP Contracting
Dempseys Bobcat Services	Kreisel Contracting (1988)	Traffic Safe New Zealand
Denis Wheeler Earthmoving	Lanco Ex	Troon Civil
DITRAC	Luke Glamuzina Contractors	Weka Earthmoving
Done Rite Contracting 2017	M W Lissette	Welshy Digger Hire
Doug Hood Mining	Mangonui Contracting (2015)	Wilson & Keen Contracting
Doug Symons Contracting	McCreadyCivil	Wilson Earthmoving Group
Drum Holdings	McDonald Contracting & Construction	WS & JF Heine Partnership
Duane Whiting Contractors	McEwan Haulage	
Duncan Earthworks	Moore Construction	

\$1 – 2 million plus

A G Hoffman	BCG Civil	Central Southland Excavating
Armitage Contracting	Bridge It NZ	Central Western Roding
Asphalt & Construction	C & D Landfill	Colin Amrein Contracting
Bailey Civil	Cameron Contracting 2002	Contour Asphalts Contrax (Central)
Base Excavations	Cargill Contracting	Crom-Dig
Bastion	Central Demolition	Daniel Renshaw Drainage Contractor



Contractor members 2018-2019

\$1 – 2 million plus continued

Dodge Contracting	John Roy Contracting	Paul Smith Earthmoving and Civil
Epic 360	Johnstone Construction	Peter Turner Contracting
EPL Construction	Jones Contracting Queenstown	Pipeline & Infrastructure
Fahey Contracting	K & B Reed Contractors	Red Contracting
Forte Civil	Kernohan Contractors	Ritchie Civil
Francis Ward	Landform Civil	Sollys Freight (1978)
G T Liddell Contracting	Mac Developments	South East Earthworks
Graham Contractors	Mason Quality Excavation	Subsurface Drilling
Greg Donaldson Contracting	MecLand Roading	TCD 2015
H & H Contractors	Monk Earthworks	Topline Contracting
Horokiwi Paving	Morris & Bailey	Twoman Structures
Hoult Contractors	Not Just Concrete	WA Boyes Contracting
Huband Contractors	Offshore Plumbing Services	Wilson Contracting
J C Contracting NZ	On Track Earthmoving	XTREME Contracting
JK Construction	Paraparaumu Engineering	

\$2 – \$4 million

Action Civil	Delta Contracting	Letton Kerb & Channel
Advanced Siteworks	Donovan Drainage & Earthmoving	Linton Contracting
Aidan Kelly Contracting	Drapers Earthmoving	Loveridge
All About Construction	E N Ramsbottom	\$2m to \$4m
Allens United Drainage & Earthworks	Earthwork Solutions	Mackenzie Civil
Angus McMillan Concrete	Earthworks Aoraki	Maxbuild
ARC Projects	Earthworx Rural & Civil	McDonough Contracting
Atlas Infrastructure & Services	Emmetts Civil Construction	MWN Civil
Austin Asphalt	Fuel Installations Auckland	Nelson Civil Construction
Baldwin Asphalts	Geovert	North Drill
Bassett Plumbing & Drainage	Giles Civil	Opie Contractors 2014
Bay Civil	Gill Construction Co	R A Shearing Contractors
Brian James Contracting	Goodrick Contracting	RJ Civil Construction
Bryce O'Sullivan Contracting	Graham Harris	Roading and Building Cartage
Burnside Contractors	Grant Hood Contracting	\$2m to \$4m
C & A Cox	Groundfix	Ryan Contractors
Central Machine Hire	Grouting Services NZ	SAL Civil Works
Chambers & Jackett	Harliwich Holdings	Siteworx Northland
CHB Earthmovers	Hawkes Bay Regional Council's Works	Skevington Contracting
City Pavements	Group	Southeys Group
Civil + Build	Hickey Contractors	T C Nicholls
Clements Contractors	Independent Kerb & Concrete (2004)	Tasman Civil
\$2m to \$4m	J D & I S Bates	TCD Civil Construction
Concrete & Metals	Jacksco Civil	TeAnau Earthworks
\$2m to \$4m	Jesmond Construction	Thelin Construction
Concrete Brothers	Johnston Civil	Tracks Concrete (2002)
\$2m to \$4m	Johnstone & Masters	Underground Brown
Concrete Treatments NZ	Juno Civil	Utilities Infrastructure NZ
\$2m to \$4m	Kerry Drainage	Warner Construction
Darlington Drilling & Piling	King Drilling Company	



Contractor members 2018-2019

\$4 – 6 million

Advanced Excavating
B Bullock (2009)
Base Contracting
Blackley Construction
CDS New Zealand
CJ Industries
Construct Civil
Construction Contracts
Construction Techniques
\$4m to \$6m
Dews Construction
E Carson & Sons

Faulks Investments
G P Friel
Gibbons Contractors
HES Earth Moving
J W Neill Contractors
Jolly Earthworks
Legacy Contracting
Maungatua Contracting (Wanaka)
McKenzie Earthmoving
Morepork Trenching
PCL Contracting
Pidgeon Contracting

Protranz Earthmoving
Rapid Earthworks
Robinson Asphalts 1992
Splice Construction
Springs Road Quarry
Storer Contracting
Technix Bitumen Technologies
Tirau Earthmovers
Trademark Paving
Troy Wheeler Contracting

\$6 – 10 million

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

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

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

\$10 – 25 million

Ashburton Contracting
B G Contracting
Blakely Construction
Civil Construction
Connell Contractors
Hamilton Asphalts
Hiway Stabilizers NZ
Hopper Construction
I D Loader
ICB Retaining and Construction
Inframax Construction
J & R Contracting

J Swap Contractors
Jason Mather Construction
JCL Asphalt
Kidd Contracting
March Cato
Mike Edridge Contracting
Mills Albert
Nikau Contractors
P & N Siteworks
Quality Roothing Services (Wairoa)
Russell Roads
Seipp Construction

Spartan Construction
Taggart Earthmoving
Taylors Contracting Co
TDM Construction
Texco Excavating & Drilling
The Roothing Company
Vuksich & Borich (NZ)
Waiau Pa Bulk Haulage
Westroads
Whitestone Contracting

\$25 – 50 million

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

\$50 – 100 million

No companies

\$100 million plus

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



The building of an armour-rock and Xbloc, 180 metre long breakwater at Waitangi on the Chatham Islands



Spiral Drillers Civil installing a drill rig base frame for a power pylon which was carried to the site by helicopter.





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FOR THE YEAR ENDED 31 MARCH 2019

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

Opinion

We have audited the financial statements of Civil Contractors New Zealand Incorporated ("the Parent") and the consolidated financial statements of the Parent and its subsidiaries (together, "the Group"), which comprise the Parent and consolidated balance sheet as at 31 March 2019, and the Parent and consolidated statements of comprehensive income, Parent and consolidated statements of changes in equity and Parent and consolidated cash flow statements for the year then ended, and notes to the Parent and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying Parent and consolidated financial statements present fairly, in all material respects, the financial position of the Parent and the consolidated financial position of the Group as at 31 March 2019, and the Parent and consolidated financial performance and the Parent and consolidated cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

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

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

Other Information

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

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Executive Councils' Responsibilities for the Parent and Consolidated Financial Statements

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

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

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

Our objectives are to obtain reasonable assurance about whether the Parent and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these Parent and consolidated financial statements.

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

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

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Who we Report to

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

BDO Wellington Audit Limited

BDO Audit Wellington Limited
Wellington
New Zealand
5 July 2019

Civil Contractors New Zealand Incorporated
Statement of comprehensive income
For the year ended 31 March 2019

	Notes	Group		Parent	
		2019 \$	2018 \$	2019 \$	2018 \$
Revenue	4	4,332,032	3,988,244	3,233,780	2,872,345
Publishing related expenses		(628,822)	(702,111)	-	-
Depreciation & amortisation	5	(39,114)	(36,867)	(21,324)	(21,911)
Impairment		(20,009)	-	(20,009)	-
Other expenses	5	(3,598,955)	(3,318,043)	(3,182,071)	(2,916,775)
Finance costs - net	6	34,650	38,075	31,218	34,766
Surplus / (deficit) before income tax		79,782	(30,702)	41,594	(31,575)
Income tax expense	7	(4,117)	17,548	-	16,030
Surplus / (deficit) for the year		75,665	(13,154)	41,594	(15,545)
Surplus / (deficit) is attributable to:					
Equity holders of Civil Contractors New Zealand Incorporated		68,699	(13,643)		
Surplus attributable to non-controlling interest		6,966	489		
		75,665	(13,154)		
Total comprehensive revenue and expenses for the year is attributable to:					
Equity holders of Civil Contractors New Zealand Incorporated		68,699	(13,643)		
Surplus attributable to non-controlling interest		6,966	489		
		75,665	(13,154)		

For and on behalf of the Board.

Tim Ford

President

Date:

M. Wood

Chief Executive Officer

Date:

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 2019

Group	Reserves \$	Retained earnings \$	Non-controlling interest \$	Total equity \$
Balance at 1 April 2017	417,584	2,030,184	28,508	2,476,276
Surplus/(Deficit) for the year	-	(13,643)	489	(13,154)
Balance as at 31 March 2018	<u>417,584</u>	<u>2,016,541</u>	<u>28,997</u>	<u>2,463,122</u>
Balance at 1 April 2018	417,584	2,016,541	28,997	2,463,122
Surplus for the year	-	68,699	6,966	75,665
Balance as at 31 March 2019	<u>417,584</u>	<u>2,085,240</u>	<u>35,963</u>	<u>2,538,787</u>

Parent	Reserves \$	Retained earnings \$	Total equity \$
Balance at 1 April 2017	417,584	1,894,157	2,311,741
Deficit for the year	-	(15,545)	(15,545)
Balance as at 31 March 2018	<u>417,584</u>	<u>1,878,612</u>	<u>2,296,196</u>
Balance as at 1 April 2018	417,584	1,878,612	2,296,196
Surplus for the year	-	41,594	41,594
Balance as at 31 March 2019	<u>417,584</u>	<u>1,920,206</u>	<u>2,337,790</u>

Notes	Group		Parent		
	2019 \$	2018 \$	2019 \$	2018 \$	
Total recognised income and expense for the year is attributable to:					
Members of Civil Contractors New Zealand Incorporated	15	68,699	(13,643)	41,594	(15,545)
Non controlling interest		6,966	489	-	-
		<u>75,665</u>	<u>(13,154)</u>	<u>41,594</u>	<u>(15,545)</u>

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

Civil Contractors New Zealand Incorporated
Balance sheet
As at 31 March 2019

	Notes	Group		Parent	
		2019 \$	2018 \$	2019 \$	2018 \$
ASSETS					
Current assets					
Cash and cash equivalents	8	820,363	847,487	593,188	682,383
Trade and other receivables from exchange transactions	9	386,238	419,939	376,021	379,387
Inventories		6,100	1,871	6,100	1,871
Current tax receivables		34,588	30,170	32,762	28,371
Term deposits		897,724	856,063	817,724	776,063
Capital works		-	20,009	-	20,009
Total current assets		2,145,013	2,175,539	1,825,795	1,888,084
Non current assets					
Property, plant and equipment	10	977,331	974,840	949,707	952,900
Intangible assets	11	49,752	42,423	29,752	22,423
Other investments		-	-	15,000	15,000
Deferred tax asset	12	2,056	6,031	-	-
Total non-current assets		1,029,139	1,023,294	994,459	990,323
Total assets		3,174,152	3,198,833	2,820,254	2,878,407
LIABILITIES					
Current liabilities					
Trade and other payables	13	439,302	500,367	297,988	366,304
Other current liabilities		10,000	-	10,000	-
Income in advance		186,063	235,344	174,476	215,907
Total current liabilities		635,365	735,711	482,464	582,211
Total liabilities		635,365	735,711	482,464	582,211
Net assets		2,538,787	2,463,122	2,337,790	2,296,196
EQUITY					
Reserves	14(a)	417,584	417,584	417,584	417,584
Retained earnings	14(b)	2,085,240	2,016,541	1,920,206	1,878,612
		2,502,824	2,434,125	2,337,790	2,296,196
Non-controlling interest		35,963	28,997	-	-
Total equity		2,538,787	2,463,122	2,337,790	2,296,196

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 2019

	Notes	Group		Parent	
		2019 \$	2018 \$	2019 \$	2018 \$
Cash flows from operating activities					
Receipts from customers		4,296,744	4,008,912	3,170,005	2,982,422
Payments to suppliers and employees		(4,262,315)	(3,966,321)	(3,220,564)	(2,874,730)
Interest received		34,650	38,075	31,218	34,766
Income taxes paid		(4,560)	(1,869)	(4,391)	(1,005)
Net GST received		(1,048)	11,827	1,658	3,413
Net cash inflow/(outflow) from operating activities		63,471	90,624	(22,074)	144,866
Cash flows from investing activities					
Payments for property, plant and equipment	10	(40,073)	(20,062)	(16,599)	(10,072)
Payments for purchase of investments		(41,661)	-	(41,661)	(33,600)
Proceeds from sale of investments		-	2,632	-	-
Payments for intangible assets	11	(8,861)	(13,741)	(8,861)	(13,741)
Net cash outflow from investing activities		(90,595)	(31,171)	(67,121)	(57,413)
Net increase/(decrease) in cash and cash equivalents		(27,124)	59,453	(89,195)	87,453
Cash and cash equivalents at the beginning of the financial year		847,487	788,034	682,383	594,930
Cash and cash equivalents at end of year	8	820,363	847,487	593,188	682,383

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

1 Summary of significant accounting policies

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

(a) Basis of preparation

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

Entity reporting

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

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

Statutory base

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

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

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

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

Method of consolidation

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

Historical cost convention

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

Functional and presentation currency

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

(b) Revenue recognition

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

All revenue received by the Group is from exchange transactions.

Income in advance

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

(c) Income tax

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

1 Summary of significant accounting policies (continued)

(c) Income tax (continued)

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

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

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

(d) Goods and Services Tax (GST)

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

(e) Leases

(i) Finance leases

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

(ii) Operating leases

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

(f) Cash and cash equivalents

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

(g) Trade and other receivables

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

(h) Inventories

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

1 Summary of significant accounting policies (continued)

(i) Financial instruments

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

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

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

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

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

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

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

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

(i) Held-to-maturity

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

Held-to-maturity financial assets comprise term deposits.

(ii) Loans and receivables

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

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

(iii) Available-for-sale financial assets

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

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

(iv) Impairment of non-derivative financial assets

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

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

1 Summary of significant accounting policies (continued)

(i) Financial instruments (continued)

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

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

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

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

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

(j) Property, plant and equipment

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

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

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

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

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

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

Revaluations

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

(k) Intangible assets

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

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

1 Summary of significant accounting policies (continued)

(k) Intangible assets (continued)

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

(l) Comparative balances

Comparative balances have been reclassified and restated to conform with changes in presentation and classification adopted in the current period.

(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 incurred tax losses of \$139,632 (2018: \$126,178) over the last 3 financial years. Deferred tax has only been recognised on these losses up to the value of the deferred tax liabilities of the Parent on the basis that the remaining losses will not be able to be utilised against future taxable income. As a result, there is an unrecognised deferred tax asset of \$14,049 (2018: \$11,078) in relation to unused tax losses, see notes 7 and 12.

3 Financial instruments

Financial instruments by category

	Group		Parent	
	2019 \$	2018 \$	2019 \$	2018 \$
Financial assets as per balance sheet				
Loans and receivables				
Cash and cash equivalents	820,363	847,487	593,188	682,383
Trade and other receivables	307,495	325,717	300,631	282,516
Held-to-maturity				
Term deposits	897,724	856,063	817,724	776,063
Available-for-sale				
Other investments	-	-	15,000	15,000
	<u>2,025,582</u>	<u>2,029,267</u>	<u>1,726,543</u>	<u>1,755,962</u>
Financial liabilities at amortised cost				
Trade and other payables	356,161	399,781	231,254	295,395
	<u>356,161</u>	<u>399,781</u>	<u>231,254</u>	<u>295,395</u>

4 Revenue

	Group		Parent	
	2019 \$	2018 \$	2019 \$	2018 \$
Services	432,248	455,149	174,191	159,477
Conference income	748,992	475,220	748,992	475,220
NEOC/REOC income	105,843	97,211	105,843	97,211
Sponsorship	143,798	132,058	143,798	132,058
Subscriptions income	1,559,454	1,465,142	1,559,454	1,465,142
Functions income	436,016	494,478	436,016	494,478
Awards income	22,200	29,471	22,200	29,471
Advertising income	835,744	819,709	-	-
Trade certification income	30,000	-	30,000	-
Sundry income	17,230	19,288	13,286	19,288
Dividends	507	518	-	-
	<u>4,332,032</u>	<u>3,988,244</u>	<u>3,233,780</u>	<u>2,872,345</u>

5 Expenses

	Group		Parent	
	2019	2018	2019	2018
	\$	\$	\$	\$
<i>Depreciation</i>				
Land and buildings	8,196	8,363	8,196	8,363
Fixtures and fittings and office equipment	22,397	20,779	4,607	5,823
Computer equipment	6,989	7,725	6,989	7,725
Total depreciation	<u>37,582</u>	<u>36,867</u>	<u>19,792</u>	<u>21,911</u>
<i>Amortisation</i>				
Amortisation	1,532	-	1,532	-
Total depreciation and amortisation	<u>39,114</u>	<u>36,867</u>	<u>21,324</u>	<u>21,911</u>
<i>Sundry expenses</i>				
Accident compensation levy	2,713	2,851	1,629	1,698
Accounting fees	72,553	65,896	58,288	49,408
Advertising & promotion	18,949	13,164	19,131	24,222
Audit fees	39,483	40,603	32,045	33,607
Award costs	22,700	34,014	33,200	44,514
Bad debts	19,031	19,313	19,031	19,313
Bank fees & interest	3,998	3,634	2,573	2,137
Careers promotion	83,323	130,642	83,323	130,642
CEO expenses	6,514	25,623	6,514	25,623
Conference expenses	653,145	440,606	653,145	440,606
Contrafed subscriptions	-	-	44,932	45,377
Council costs	48,172	34,499	48,172	34,499
Entertainment	2,052	4,882	-	-
Fringe benefit tax	10,381	5,621	10,381	5,621
Functions	409,098	448,757	409,098	448,757
General expenses	64,039	47,686	54,377	34,151
Hire of plant & equipment	4,765	6,512	-	-
Industry liaison	18,964	11,185	18,964	11,185
Industry projects	13,520	7,086	13,520	7,086
Insurance	28,955	25,895	21,389	19,167
IT costs	24,065	23,999	6,686	8,008
Kiwisaver employer contributions	34,297	31,393	25,168	23,064
Legal & consulting fees	14,370	62,758	14,370	41,250
N3 Benefits Purchases	25,000	25,000	25,000	25,000
NEOC/REOC expenses	130,346	113,531	130,346	113,531
Office equipment & maintenance	41,830	31,977	35,932	25,878
Postage & couriers	11,293	5,985	11,293	5,985
Power & utilities	33,231	32,106	30,633	29,444
Printing & stationery	26,437	27,106	19,978	22,113
Public relations	8,193	14,631	10,933	19,831
Publication costs	19,575	14,238	31,675	26,738
Regional and technical manager expenses	144,359	114,624	144,359	114,624
Rent	36,400	36,400	-	-
Roadshow expenses	14,280	17,967	14,280	17,967
Salaries	1,261,667	1,167,469	949,974	886,911
Sponsorship	13,777	13,877	13,777	13,877
Staff training & recruitment	28,325	19,014	26,906	17,851
Subscriptions	38,982	30,873	23,856	22,635
Telephone & internet	26,745	22,761	16,702	14,465
Trade certification expenses	18,134	5,081	18,134	5,081
Travel & accomodation	109,229	115,960	98,368	101,082
Website maintenance	16,060	22,827	3,987	3,831
	<u>3,598,955</u>	<u>3,318,043</u>	<u>3,182,071</u>	<u>2,916,775</u>

6 Finance costs - net

	Group		Parent	
	2019 \$	2018 \$	2019 \$	2018 \$
Finance income				
Interest	<u>(34,650)</u>	<u>(38,075)</u>	<u>(31,218)</u>	<u>(34,766)</u>
Total finance income	<u>(34,650)</u>	<u>(38,075)</u>	<u>(31,218)</u>	<u>(34,766)</u>
Net finance costs	<u>(34,650)</u>	<u>(38,075)</u>	<u>(31,218)</u>	<u>(34,766)</u>

7 Income tax expense

	Group		Parent	
	2019 \$	2018 \$	2019 \$	2018 \$
(a) Income tax expense				
Current tax	142	142	-	-
Deferred tax	<u>3,975</u>	<u>(17,690)</u>	-	<u>(16,030)</u>
Income tax expense	<u>4,117</u>	<u>(17,548)</u>	-	<u>(16,030)</u>

(b) Numerical reconciliation of income tax expense to prima facie tax payable

Surplus/(Deficit) before income tax expense	<u>79,782</u>	<u>(30,702)</u>	<u>41,594</u>	<u>(31,575)</u>
Income tax at 28%	<u>22,339</u>	<u>(8,597)</u>	<u>11,646</u>	<u>(8,841)</u>
Less tax effect of permanent differences				
Non assessable income and expenses	<u>(32,271)</u>	<u>(20,029)</u>	<u>(25,695)</u>	<u>(18,267)</u>
Unused tax losses for which no deferred tax asset has been recognised	<u>14,049</u>	<u>11,078</u>	<u>14,049</u>	<u>11,078</u>
Income tax expense	<u>4,117</u>	<u>(17,548)</u>	-	<u>(16,030)</u>

(c) Unrecognised deferred tax balances

Unused tax losses for which no deferred tax asset has been recognised	<u>14,049</u>	<u>11,078</u>	<u>14,049</u>	<u>11,078</u>
Unrecognised deferred tax balances	<u>14,049</u>	<u>11,078</u>	<u>14,049</u>	<u>11,078</u>

8 Cash and cash equivalents

	Group		Parent	
	2019 \$	2018 \$	2019 \$	2018 \$
Bank balances	820,307	847,372	593,188	682,383
Petty cash	<u>56</u>	<u>115</u>	-	-
	<u>820,363</u>	<u>847,487</u>	<u>593,188</u>	<u>682,383</u>

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

9 Trade and other receivables from exchange transactions

	Notes	Group		Parent	
		2019 \$	2018 \$	2019 \$	2018 \$
Trade receivables		253,713	312,823	119,198	141,971
Related party receivables	19	-	-	127,651	127,651
Prepayments		78,743	94,222	66,638	86,461
Accrued income		53,782	12,894	53,782	12,894
GST receivable		-	-	8,752	10,410
		<u>386,238</u>	<u>419,939</u>	<u>376,021</u>	<u>379,387</u>

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

As at 31 March 2019, no receivables were impaired (2018: nil).

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

10 Property, plant and equipment

Group	Land and buildings \$	Fixtures and fittings and office equipment \$	Computer equipment \$	Total \$
At 1 April 2017				
Cost	1,053,333	343,385	274,012	1,670,730
Accumulated depreciation	(124,071)	(291,717)	(260,104)	(675,892)
Net book amount	<u>929,262</u>	<u>51,668</u>	<u>13,908</u>	<u>994,838</u>
At 31 March 2018				
Cost	1,053,333	355,552	276,144	1,685,029
Accumulated depreciation	(132,434)	(312,389)	(265,366)	(710,189)
Net book amount	<u>920,899</u>	<u>43,163</u>	<u>10,778</u>	<u>974,840</u>
Year ended 31 March 2019				
Opening net book amount	920,899	43,163	10,778	974,840
Additions	-	33,871	6,202	40,073
Depreciation charge (note 5)	(8,196)	(22,397)	(6,989)	(37,582)
Closing net book amount	<u>912,703</u>	<u>54,637</u>	<u>9,991</u>	<u>977,331</u>
At 31 March 2019				
Cost	1,053,333	389,424	282,346	1,725,103
Accumulated depreciation	(140,630)	(334,787)	(272,355)	(747,772)
Net book amount	<u>912,703</u>	<u>54,637</u>	<u>9,991</u>	<u>977,331</u>

10 Property, plant and equipment (continued)

Parent	Land and buildings \$	Fixtures and fittings and office equipment \$	Computer equipment \$	Total \$
At 1 April 2017				
Cost	1,053,333	239,045	274,012	1,566,390
Accumulated depreciation	<u>(124,071)</u>	<u>(214,284)</u>	<u>(260,104)</u>	<u>(598,459)</u>
Net book amount	<u>929,262</u>	<u>24,761</u>	<u>13,908</u>	<u>967,931</u>
At 31 March 2018				
Cost	1,053,333	241,223	276,144	1,570,700
Accumulated depreciation	<u>(132,434)</u>	<u>(220,000)</u>	<u>(265,366)</u>	<u>(617,800)</u>
Net book amount	<u>920,899</u>	<u>21,223</u>	<u>10,778</u>	<u>952,900</u>
Year ended 31 March 2019				
Opening net book amount	920,899	21,223	10,778	952,900
Additions	-	10,397	6,202	16,599
Depreciation charge (note 5)	<u>(8,196)</u>	<u>(4,607)</u>	<u>(6,989)</u>	<u>(19,792)</u>
Closing net book amount	<u>912,703</u>	<u>27,013</u>	<u>9,991</u>	<u>949,707</u>
At 31 March 2019				
Cost	1,053,333	251,621	282,346	1,587,300
Accumulated depreciation	<u>(140,630)</u>	<u>(224,608)</u>	<u>(272,355)</u>	<u>(637,593)</u>
Net book amount	<u>912,703</u>	<u>27,013</u>	<u>9,991</u>	<u>949,707</u>

11 Intangible assets

Group	Patents and other rights \$	Trademark \$	Website \$	Total \$
At 1 April 2017				
Cost	22,892	8,682	-	31,574
Accumulated amortisation and impairment	(2,892)	-	-	(2,892)
Net book amount	<u>20,000</u>	<u>8,682</u>	<u>-</u>	<u>28,682</u>
At 31 March 2018				
Cost	22,892	14,223	8,200	45,315
Accumulated amortisation and impairment	(2,892)	-	-	(2,892)
Net book amount	<u>20,000</u>	<u>14,223</u>	<u>8,200</u>	<u>42,423</u>
Year ended 31 March 2019				
Opening net book amount	20,000	14,223	8,200	42,423
Additions	-	2,357	6,504	8,861
Amortisation charge (note 5)	-	-	(1,532)	(1,532)
Closing net book amount	<u>20,000</u>	<u>16,580</u>	<u>13,172</u>	<u>49,752</u>
At 31 March 2019				
Cost	22,892	16,580	14,704	54,176
Accumulated amortisation and impairment	(2,892)	-	(1,532)	(4,424)
Net book amount	<u>20,000</u>	<u>16,580</u>	<u>13,172</u>	<u>49,752</u>
Parent				
		Trademark \$	Website \$	Total \$
At 1 April 2017				
Cost		8,682	-	8,682
Accumulated amortisation and impairment		-	-	-
Net book amount		<u>8,682</u>	<u>-</u>	<u>8,682</u>
At 31 March 2018				
Cost		14,223	8,200	22,423
Accumulated amortisation and impairment		-	-	-
Net book amount		<u>14,223</u>	<u>8,200</u>	<u>22,423</u>
Year ended 31 March 2019				
Opening net book amount		14,223	8,200	22,423
Additions		2,357	6,504	8,861
Amortisation charge (note 5)		-	(1,532)	(1,532)
Closing net book amount		<u>16,580</u>	<u>13,172</u>	<u>29,752</u>
At 31 March 2019				
Cost		16,580	14,704	31,284
Accumulated amortisation and impairment		-	(1,532)	(1,532)
Net book amount		<u>16,580</u>	<u>13,172</u>	<u>29,752</u>

Amortisation of \$1,532 has been included in depreciation and amortisation expense in the Group and Parent's statement of comprehensive income (2018: nil).

12 Deferred tax assets/(liabilities)

	Group		Parent	
	2019 \$	2018 \$	2019 \$	2018 \$
The balance comprises temporary differences attributable to:				
Plant and equipment	<u>(30,642)</u>	<u>(31,267)</u>	<u>(30,642)</u>	<u>(31,267)</u>
Total deferred tax assets/(liabilities)	<u>(30,642)</u>	<u>(31,267)</u>	<u>(30,642)</u>	<u>(31,267)</u>
Set-off of deferred tax liabilities pursuant to set-off provisions	<u>32,698</u>	<u>37,298</u>	<u>30,642</u>	<u>31,267</u>
Net deferred tax assets/(liabilities)	<u>2,056</u>	<u>6,031</u>	<u>-</u>	<u>-</u>

Movements - Group

	Property, plant and equipment \$	Provisions \$	Other \$	Total \$
At 1 April 2017	(30,441)	12,808	5,974	(11,659)
(Charged)/credited to the statement of comprehensive income	<u>(826)</u>	<u>236</u>	<u>18,280</u>	<u>17,690</u>
At 31 March 2018	<u>(31,267)</u>	<u>13,044</u>	<u>24,254</u>	<u>6,031</u>
At 1 April 2018	(31,267)	13,044	24,254	6,031
(Charged)/credited to the statement of comprehensive income	<u>625</u>	<u>(5,395)</u>	<u>795</u>	<u>(3,975)</u>
At 31 March 2019	<u>(30,642)</u>	<u>7,649</u>	<u>25,049</u>	<u>2,056</u>

Movements - Parent

At 1 April 2017	(30,441)	8,437	5,974	(16,030)
(Charged)/credited to the statement of comprehensive income	<u>(826)</u>	<u>(1,424)</u>	<u>18,280</u>	<u>16,030</u>
At 31 March 2018	<u>(31,267)</u>	<u>7,013</u>	<u>24,254</u>	<u>-</u>
At 1 April 2018	(31,267)	7,013	24,254	-
(Charged)/credited to the statement of comprehensive income	<u>625</u>	<u>(1,420)</u>	<u>795</u>	<u>-</u>
At 31 March 2019	<u>(30,642)</u>	<u>5,593</u>	<u>25,049</u>	<u>-</u>

13 Trade and other payables

	Group		Parent	
	2019 \$	2018 \$	2019 \$	2018 \$
Trade payables	213,402	299,527	150,229	221,499
Employee entitlements	69,917	86,314	66,734	70,909
Accrued expenses	131,868	93,220	73,999	69,095
GST payable	13,224	14,272	-	-
Credit cards	10,891	7,034	7,026	4,801
	<u>439,302</u>	<u>500,367</u>	<u>297,988</u>	<u>366,304</u>

14 Reserves and retained earnings

	Group		Parent	
	2019 \$	2018 \$	2019 \$	2018 \$
(a) Reserves				
Property, plant and equipment revaluation reserve	<u>417,584</u>	<u>417,584</u>	<u>417,584</u>	<u>417,584</u>
Total reserves	<u>417,584</u>	<u>417,584</u>	<u>417,584</u>	<u>417,584</u>

(b) Retained earnings

Movements in retained earnings were as follows:

	Group		Parent	
	2019 \$	2018 \$	2019 \$	2018 \$
Balance at 1 April	2,016,541	2,030,184	1,878,612	1,894,157
Net surplus / (deficit) for the year	<u>68,699</u>	<u>(13,643)</u>	<u>41,594</u>	<u>(15,545)</u>
Balance at 31 March	<u>2,085,240</u>	<u>2,016,541</u>	<u>1,920,206</u>	<u>1,878,612</u>

15 Members surplus/(deficit) for the year

	2019 \$	2018 \$
National Office		
Surplus before branch levies	111,942	104,868
Branch levies	<u>(137,618)</u>	<u>(129,485)</u>
National office deficit for the year	<u>(25,676)</u>	<u>(24,617)</u>
Branches		
Northland	4,050	12,342
Hawkes Bay	2,839	1,527
Southland	(680)	4,445
Wellington/Wairarapa	13,722	(10,487)
Nelson/Marlborough	5,928	3,232
Auckland	9,386	2,816
Taranaki	3,950	(1,847)
Otago	(694)	1,803
Wanganui	648	(1,099)
Canterbury	35,964	(7,356)
Bay of Plenty	3,207	2,481
Waikato	(7,184)	(3,683)
Manawatu	(4,151)	(10,815)
Gisborne	-	(317)
Total branches surplus / (deficit) for the year	<u>66,985</u>	<u>(6,958)</u>
Income tax benefit	-	16,030
Net effect of parent consolidation entries	<u>285</u>	<u>-</u>
Parent surplus/(deficit) for the year	<u>41,594</u>	<u>(15,545)</u>
Subsidiaries		
Contrafed Publishing Co Limited	<u>34,071</u>	<u>2,391</u>
Total subsidiaries surplus	<u>34,071</u>	<u>2,391</u>
Net effect of Group consolidation entries	<u>(6,966)</u>	<u>(489)</u>
Group members surplus/(deficit) for the year	<u>68,699</u>	<u>(13,643)</u>



Civil Contractors New Zealand Incorporated
Notes to the financial statements
For the year ended 31 March 2019
(continued)

16 Contingencies

As at 31 March 2019, Civil Contractors New Zealand Incorporated (the Parent), as majority shareholder of Contrafed Publishing Co Limited, has agreed to provide ongoing support to Contrafed Publishing Co Limited if called upon. Such support will comprise the contribution of additional funds to Contrafed Publishing Co Limited up to a maximum sum of \$200,000 (2018: \$200,000).

17 Commitments

Operating lease commitments

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

	Group		Parent	
	2019 \$	2018 \$	2019 \$	2018 \$
Within one year	39,418	57,504	28,017	27,462
After one year but not more than five years	39,210	35,038	39,210	23,697
Total	<u>78,628</u>	<u>92,542</u>	<u>67,227</u>	<u>51,159</u>

18 Investments

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

Name of entity	Principal activities	Interest held by the Parent	
		2019 %	2018 %
Contrafed Publishing Co Limited	Publishing company	79.55	79.55

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

19 Related parties

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

	2019	2018
Total remuneration	\$446,433	\$475,996
Number of FTE	2	3

During the year, Civil Contractors New Zealand Incorporated have used Kensington Swan for legal work. Paul Buetow, a legal advisor to the Executive Council of Civil Contractors New Zealand Incorporated is also a partner at Kensington Swan (an associate member of Civil Contractors New Zealand Incorporated). Total legal fees paid to Kensington Swan during the year ended 31 March 2019 were \$3,335 (2018: \$21,536).

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 21,400 shares (90% ownership) in Contrafed Publishing Co Limited (2018: 21,400, 90% ownership). During the 2019 financial year Civil Contractors New Zealand Incorporated purchased subscriptions of \$44,932 (2018: \$45,377), awards costs of \$10,500 (2018: \$nil), advertising services of \$15,660 (2018: \$21,130) publication services of \$12,100 (2018: \$23,000) and public relation services of \$2,740 (2018: \$5,200) from Contrafed Publishing Co Limited. Civil Contractors New Zealand Incorporated has advanced \$127,651 to Contrafed Publishing Co Limited (2018: \$127,651). The advance is interest free and repayable on demand.

19 Related parties (continued)

Civil Contractors New Zealand Incorporated is willing to provide on-going financial support to Contrafed Publishing Co Limited if called upon. Such support will comprise the contribution of additional funds to Contrafed Publishing Co Limited up to a maximum sum of \$200,000 (2018: \$200,000). Such funds would be contributed only if requested by Contrafed Publishing Co Limited, and the structure by which such funds would need to be determined at the time any such request for support is received. Refer to note 16 for further details in relation to this.

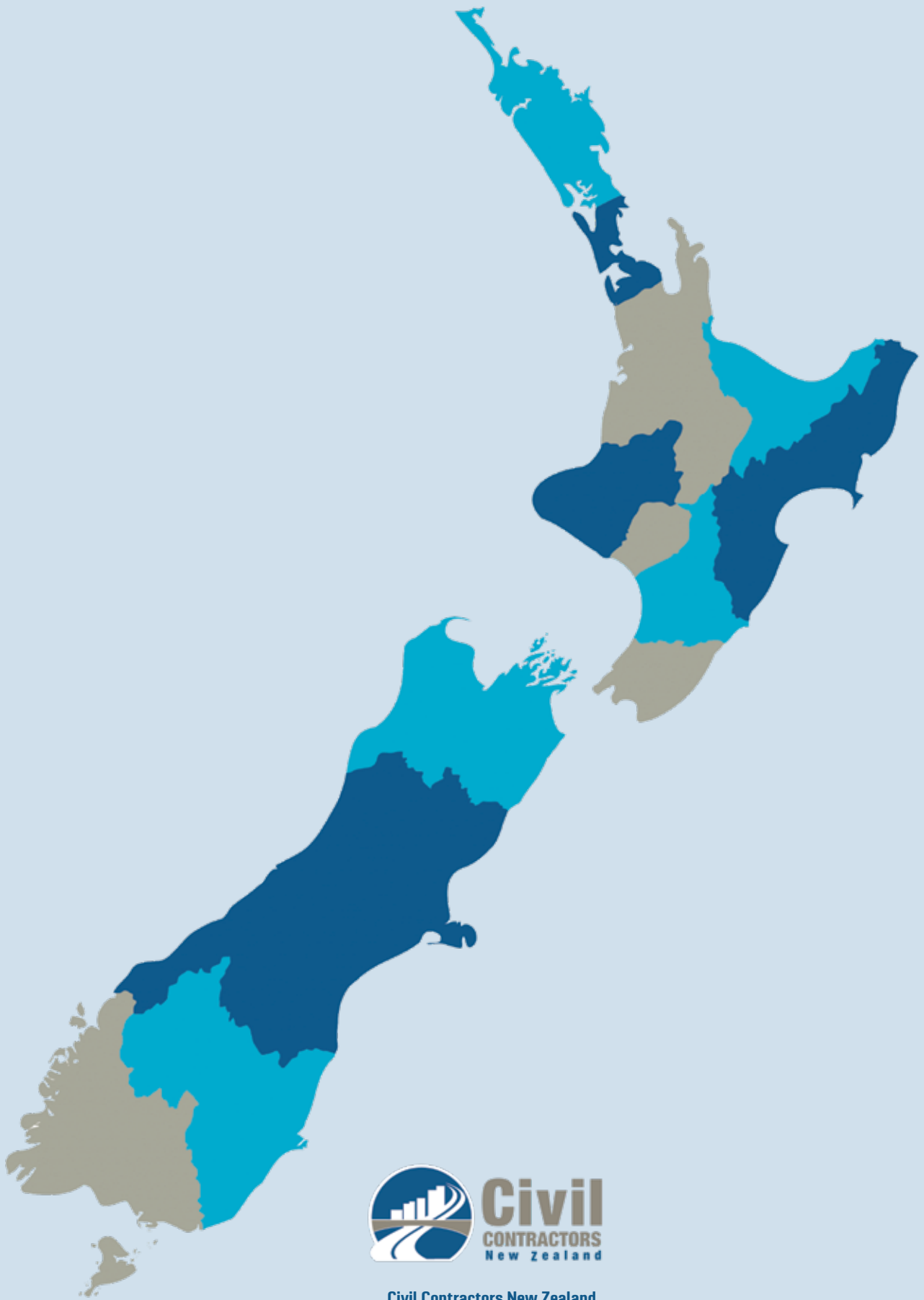
Civil Contractors New Zealand Incorporated has a facility agreement with Contrafed Publishing Co Limited dated 7 September 2009 and is secured by a first ranking General Security Deed of the same date. The term of the loan is that when the subsidiary bank account credit balance exceeds \$250,000, any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

Civil Contractors New Zealand Incorporated has provided a guarantee over the premises leased by Contrafed Publishing Co Limited. The guarantee provides that Civil Contractors New Zealand Incorporated is joint and severally liable for the terms of the agreements. The annual rent of the premises is \$36,396 (2018: \$35,447).

20 Events occurring after the reporting period

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





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