

**INSTITUTE OF PUBLIC WORKS ENGINEERING  
AUSTRALIA (NSW DIVISION) LIMITED  
ABN 35 093 562 602**

**ANNUAL REPORT**

**YEAR ENDED 30 JUNE 2011**

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The financial report was authorised for issue by the Directors on 21 September 2011.  
The company has the power to amend and reissue the financial report.

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**DIRECTORS' REPORT**

The directors present their report on the company for the year ended 30 June 2011.

**DIRECTORS**

The name and details of the company's directors and secretary in office during the financial year and until the date of this report are as follows. Directors and Secretary were in office for this entire period unless otherwise stated.

**Greg Moran - President from 31 October 2008**

BE (Hons), ME Stud, P/Grad Dip Management LGE (Qld), LGE (NSW) Former Director Technical Services, Inverell Shire Council. Self-employed consultant. Chair, Executive Committee. IPWEA (NSW) Representative, Local Govt. & Shires Associations Standing Committee on Roads & Transport. Member National Board IPWEA, IPWEA (NSW) Representative. Trustee, Municipal Engineering Foundation.

**Stewart McLeod - Vice President from 10 December 2010, Portfolio Director CivEnEx**

PSM, BE (Hons 1) Syd, NSW Local Govt Engineers Certificate, Assoc Dip in Town & Country Planning (with Distinction) CSU, NSW Local Govt Town & Country Planners Certificate, MBA Deakin, FIEAust, NPER CPEng, APEC, FIPWEA, Director Technical Services, Dubbo City Council. Chairman NSW Water Directorate. Appointed 31 October 2008.

**Murray Erbs - Vice President to 10 December 2010, Portfolio Director Roads and Transport Directorate, Road Safety**

BE(Civil), GDip Eng, PGDip Mgt, MIPWEA, MIEAust, CPEng Director of Engineering Services, Moree Plains Shire Council. Member, Works Officers Panel and Skills Shortage Panel. Chair Roads and Transport Directorate Working Party and Management Committee. Member Membership Services committee. Resigned 10 December 2010.

**John Truman - Portfolio Director Asset Management and Sustainability**

BE, MBA, Grad Dip LGEM, Grad AICD. Group Manager Civil Services, Ballina Shire Council. Chair, Executive Committee (to 31/10/2008). Trustee Municipal Engineering Foundation, President National IPWEA, Member National Asset Management Strategy Committee, Director Local Government Procurement, Chair 2011 National Conference Organising Committee.

**Ken Halstead - Portfolio Director Skills Shortage**

DipTechEng (NSWIT), BE (Hons) (NSWIT), ME (Hons) (UOW), FIPWEA, Director Graduate Program - Local Government Engineering, University of Technology, Sydney. Chair Skills Shortage Panel.

**Gary Murphy - Portfolio Director Conference**

BE Civil (UTS), Grad Dip Local Government Management (Deakin), Grad Dip Local Government Engineering (UTS) MIPWEA, Director - Works, Richmond Valley Council. Chair Conference Committee. Member, Roads & Transport Directorate Working Party and Management Committee, IPWEA (NSW) Representative Roadside Environment Committee. Resigned 10 December 2010

**Gary Woodman - Portfolio Director Membership Services**

BE (Civil), G. Dip.LGE, LGE, FIPWEA, MLGMA General Manager, Cobar Shire Council. Chair Membership Committee. Member Stormwater and Floodplain Committee

**Geoff Metcalfe - Portfolio Director Professional Development and Education**

L&ESD Cert (Sydney), Associate Diploma Civil Engineering - Sydney, Graduate Certificate Urban and Regional Town Planning - UNE, Certificate IV Project Management, MIPWEA Engineering Development Coordinator, Port Macquarie Hastings Council. Appointed 31 October 2008.

**Cathy Kinsey - Portfolio Director Water Cycle and Floodplain Management**

BE (Hons), ME (Hons) MIPWEA Coordinator Stormwater and Structural Design, Campbelltown City Council. Appointed 31 October 2008.

**Tony Reed - Portfolio Director Events**

BE (Civil), MBA, Grad Dip Marketing Mgt, FIPWEA. General Manager, Waverley Council. Member NSW Roads and Transport Directorate Appointed 18 February 2011.

**Warren Sharpe - Portfolio Director Roads and Transport Directorate, Road Safety**

BE (Hons), LGE, EE&M, MIPWEA Director Roads & Recreation Eurobodalla Shire Council. Chair SE IPWEA Group. IPWEA(NSW) Representative Roadside Environment Committee. Appointed 18 February 2011.

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**DIRECTORS' REPORT**

(Continued)

**ATTENDANCE AT BOARD MEETINGS**

During the year ended 30 June 2011, there were 7 meetings of the Board.

Attendances of Directors were as follows:

<b>Director</b>	<b>Eligible</b>	<b>Attended</b>
Greg Moran	7	7
Murray Erbs	4	4
Ken Halstead	7	6
Gary Murphy	4	3
John Truman	7	5
Gary Woodman	7	7
Stewart McLeod	7	6
Geoff Metcalfe	7	6
Cathy Kinsey	7	7
Tony Reed	2	2
Warren Sharpe	2	2

**COMPANY SECRETARY**

The Company Secretary at the date of this report is:

**Mark Turner - Executive Manager**

BE (Hons), MBA MIEAust, CPENG MIPWEA. Executive Manager IPWEA (NSW) since January 2007, Secretary, NSW Municipal Engineering Foundation.

**PRINCIPAL ACTIVITIES**

The principal activity of the company in the course of the year was to provide member services and advocacy for persons involved in and delivering public works and services. There was no significant change in the nature of the company's activity during the period. Further details are given in the Company Overview: the President's Report; and below.

**LONG TERM OBJECTIVES**

The strategic priorities are reflected by the eleven Key Result Areas (KRA) that cover the Portfolios set for Directors and which aim to achieve our Mission and ultimately the vision to which we aspire. Progress on our long-term goals is reported under the eleven Key Result Areas, namely:

1. Membership Services
2. Professional Development and Education
3. Events
4. CivEnEx
5. Roads & Transport Directorate
6. Road Safety
7. Skills Shortage
8. Asset Management and Sustainability
9. Water Cycle Management and Environment
10. Financial Management & Governance
11. Secretariat Management

Five year strategies have been developed for each Key Result Area to assist achievement of the long-term goals and objectives.

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**DIRECTORS' REPORT**  
(Continued)

**SHORT TERM OBJECTIVES**

A separate business and action plan has been prepared for each strategic priority area which outlines the following:

- The long term goal for each strategic priority area.
- The 5 year long-term objectives.
- Actions to be undertaken in 2010-2014 to help achieve those key results.
- Performance indicators for each action.
- Resources required to achieve outcome

An annual report is prepared which monitors the current status and trends of the Company in these key areas.

**MEMBERS' LIABILITY**

The Institute of Public Works Engineering Australia (NSW Division) Limited is a company limited by guarantee. In the event of the company being wound up:

"Every member of the Company undertakes to contribute to the property of the Company in the event of the same being wound up while he/she is a member, or within one (1) year after he/she ceases to be a member, for payment of the debts and liabilities of the Company contracted before he/she ceases to be a member, and of the costs, charges, and expenses of winding up and for the adjustment of the rights of the contributions among themselves, such amount as may be required not exceeding all arrears of membership fees and subscriptions and all other moneys due and payable by him/her to the company."

Membership payable (ex GST) under each category for the financial year ended 30 June 2011 was as follows:

Fellow and Professional \$200.00  
Associate and Under 30 years of age \$104.55  
Retired \$57.27  
Student \$Nil.

At 30<sup>th</sup> June 2011 the collective liability of members is estimated at \$45,316.

**AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act 2001 given to the Directors by the lead auditor for the audit undertaken by Nexia Court & Co. is included on page 5.

Signed in accordance with a resolution of the Board of Directors of the Institute of Public Works Engineering Australia (NSW Division) Limited.



Director

Dated at this Day 21st September 2011

The Board of Directors  
Institute of Public Works Engineering Australia (NSW Division) Limited  
Level 12,  
447 Kent Street  
SYDNEY NSW 2000

21 September 2011

Dear Board Members,

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

**To the Directors of the Institute of Public Works Engineering Australia (NSW Division) Limited:**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Institute of Public Works Engineering Australia (NSW Division) Limited.

As lead audit partner for the audit of the financial statements of Institute of Public Works Engineering Australia (NSW Division) Limited for the financial year ended 30 June 2011, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) Any applicable code of professional conduct in relation to the audit.

*Nexia Court & Co.*

**NEXIA COURT & CO**  
Chartered Accountants

*D Gallery*  
**D Gallery**  
Partner

Sydney, NSW

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**INDEPENDENT AUDITORS' REPORT**

To the members of Institute of Public Works Engineering Australia (NSW Division) Limited:

*Report on the Financial Report*

We have audited the accompanying financial report of Institute of Public Works Engineering Australia (NSW Division) Limited, which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

*Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**AUDITORS' REPORT  
(Continued)**

*Independence*

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Institute of Public Works Engineering Australia (NSW Division) Limited on 21 September 2011, would be in the same terms if provided to the directors as at the time of this auditor's report.

*Auditor's Opinion*

In our opinion:

- (a) the financial report of Institute of Public Works Engineering Australia (NSW Division) Limited is in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- (b) The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

*Nexia Court & Co.*

**NEXIA COURT & CO  
Chartered Accountants**

  
**D. Gallery  
Partner**

Dated: *23 September 2011*

**Sydney, NSW**

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**DIRECTORS' DECLARATION  
FOR THE YEAR ENDED 30 JUNE 2011**

The directors of the company declare that:

1. in the directors' opinion, the financial statements and accompanying notes set out on pages 9 to 27 are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Accounting Standards and the *Corporations Regulations 2001*; and
  - (b) give a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date;
2. note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB);
3. in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



**Director**

**Sydney  
21<sup>st</sup> September 2011**

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Revenue from continuing operations	2	2,097,236	2,086,762
CivEnEx expenses		(596,552)	(581,870)
Events and conference expenses		(349,398)	(267,296)
Professional development programme expenses		(235,937)	(247,054)
Road safety programme		(7,525)	(138,644)
Administration expenses		<u>(874,630)</u>	<u>(844,287)</u>
Profit before income tax expense		33,194	7,611
Income tax expense (credit)	4	<u>11,621</u>	<u>(4,363)</u>
<b>Profit after income tax</b>	<b>5</b>	<b>21,573</b>	<b>11,974</b>
<b>Other Comprehensive Income</b>			
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Profit for the year</b>		<b><u>21,573</u></b>	<b><u>11,974</u></b>

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

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**STATEMENT OF FINANCIAL POSITION**

**AT 30 JUNE 2011**

	Note	2011 \$	2010 \$
<b>ACCUMULATED FUNDS</b>			
Retained surplus	5	573,886	552,313
Reserves	6	554	554
<b>Total Members' Funds</b>		<b>574,440</b>	<b>552,867</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7	1,427,243	1,280,684
Trade and other receivables	8	455,823	519,724
Inventory	9	43,076	33,175
Other current assets	10	131,192	174,736
Other financial assets	11	1,242	1,242
Total current assets		2,058,576	2,009,561
<b>NON-CURRENT ASSETS</b>			
Property, plant & equipment	12	76,827	91,622
Other financial assets	11	554	554
Total non-current assets		77,381	92,176
<b>Total Assets</b>		<b>2,135,957</b>	<b>2,101,737</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	255,216	211,067
Employee benefits	14	87,896	67,717
Current tax liabilities	15	(7,904)	(12,468)
Other	16	1,164,409	1,243,718
Total current liabilities		1,499,617	1,510,034
<b>NON-CURRENT LIABILITIES</b>			
Employee benefits	14	61,900	38,836
Total current liabilities		61,900	38,836
<b>Total Liabilities</b>		<b>1,561,517</b>	<b>1,548,870</b>
<b>Net Assets</b>		<b>574,440</b>	<b>552,867</b>

The above statement of financial position should be read in conjunction with the accompanying notes.

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 30 JUNE 2011**

	Note	Retained Surplus \$	Reserves \$	Total \$
Balance at beginning of the year		552,313	554	552,867
<b>Total Comprehensive Income for the year</b>				
Profit for the year	5	21,573	-	21,573
Other comprehensive income			-	
<b>Total Comprehensive Income for the year</b>		21,573	-	21,573
<b>Total Transactions with Owners</b>			-	
<b>Balance at 30 June 2011</b>		<b>573,886</b>	<b>554</b>	<b>574,440</b>

	Note	Retained Surplus \$	Reserves \$	Total \$
Balance at beginning of the year		540,339	554	540,893
<b>Total Comprehensive Income for the year</b>				
Profit for the year	5	11,974	-	11,974
Other comprehensive income			-	
<b>Total Comprehensive Income for the year</b>		11,974	-	11,974
<b>Total Transactions with Owners</b>			-	
<b>Balance at 30 June 2010</b>		<b>552,313</b>	<b>554</b>	<b>552,867</b>

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

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 30 JUNE 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
	<b>Inflows</b>	<b>Inflows</b>
	<b>(Outflows)</b>	<b>(Outflows)</b>
<b>Cash flows from operating activities:</b>		
Members' subscriptions	102,546	117,664
CivEnEx receipts	1,123,698	1,020,682
Events and conferences receipts	343,181	366,545
Road Safety project	13,685	61,737
Administration	324,725	315,421
Professional Development Project	234,979	325,576
Streets Opening Conference	-	70,180
Roads Directorate	537,504	426,790
Works Officers Group	1,535	3,200
Interest received	60,019	45,569
Payments to suppliers and employees	(2,008,069)	(1,970,911)
Income tax paid	(7,057)	(17,600)
CivEnEx expenditure	(568,706)	(595,316)
	<u>158,040</u>	<u>169,537</u>
<b>Net cash from (used in) operating activities</b>		
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(11,481)	(28,772)
	<u>(11,481)</u>	<u>(28,772)</u>
<b>Net cash from investing activities</b>		
Net increase in cash held	146,559	140,765
Cash and cash equivalents at the beginning of the financial year	1,280,684	1,139,919
	<u>1,427,243</u>	<u>1,280,684</u>
<b>Cash and cash equivalents at the end of the financial year (Note 7)</b>		

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

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report is presented in the Australian currency.

**Registered Address**

Institute of Public Works Engineering Australia (NSW Division) Limited ('the company') has its registered office and principal place of business at:

Level 12  
447 Kent Street  
SYDNEY NSW 2000

The company is primarily involved in advocacy and member services for persons involved in delivering public works and services.

**(a) Basis of preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report is for the entity Institute of Public Works Engineering Australia (NSW Division) Limited as an individual entity. Institute of Public Works Engineering Australia (NSW Division) Limited is a company limited by guarantee, incorporated and domiciled in Australia

Comparatives have been reclassified to conform with the current year's presentation (where applicable)

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 years presented, unless otherwise stated.

**New, revised or amended Accounting Standards and Interpretations adopted**

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The company has early adopted AASB 1053 'Application of Tiers of Australian Accounting Standards' and AASB 2010-2 'Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements'. No other new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any impact on the financial performance or position of the incorporation; however, the adoption of AASB 1053 and AASB 2010-2 allowed the entity to remove a number of disclosures.

*AASB 1053 Application of Tiers of Australian Accounting Standards*

The company has early adopted AASB 1053 from 1 July 2010. This standard establishes a **differential** financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements, being Tier 1 Australian Accounting Standards and Tier 2 Australian Accounting Standards - Reduced Disclosure Requirements. The company being classed as Tier 2 continues to apply the full recognition and measurements requirements of Australian Accounting Standards with substantially reduced disclosure in accordance with AASB 2010-2.

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

*AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*

The company has early adopted AASB 2010-2 from 1 July 2010. These amendments make numerous modifications to a range of Australian Accounting Standards and Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities in preparing general purpose financial statements. The adoption of these amendments has significantly reduced the company's disclosure requirements.

*AASB 2009-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project*

The incorporated association has applied AASB 2009-5 amendments from 1 July 2010. The amendments result in some accounting changes for presentation, recognition or measurement purposes, while some amendments that relate to terminology and editorial changes had no or minimal effect on accounting. The main changes were:

- AASB 101 'Presentation of Financial Statements' - classification is not affected by the terms of a liability that could be settled by the issuance of equity instruments at the option of the counterparty;
- AASB 107 'Statement of Cash Flows' - only expenditure that results in a recognised asset can be classified as a cash flow from investing activities;
- AASB 117 'Leases' - removal of specific guidance on classifying land as a lease;
- AASB 118 'Revenue' - provides additional guidance to determine whether any entity is acting as a principal or agent; and
- AASB 136 'Impairment of Assets' - clarifies that the largest unit permitted for allocating goodwill, acquired in a business combination, is the operating segment as defined in AASB 8 'Operating Segments' before aggregation for reporting purposes.

The financial statements have been prepared on the historical cost basis except for other financial assets, which are measured at fair value.

Judgements, key assumptions and estimations the Board has made are disclosed in the relevant notes to the financial statements.

The financial statements were approved by the Board of Directors on 21 September 2011.

*Compliance with IFRSs*

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards ("IFRS"). Compliance with AASBs ensures that the financial statements and notes of Institute of Public Works Engineering Australia (NSW Division) Limited comply with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board ("IASB").

*Historical cost convention*

These financial statements have been prepared under the historical cost convention. Comparative information is reclassified where appropriate to enhance comparability.

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Functional and Presentation Currency*

These financial statements are presented in Australian dollars, which is the company's functional currency.

*Critical Accounting Estimates & Judgements*

The preparation of financial statements in conformity with AIFRS may require the use of certain critical accounting estimates. It may also require management to exercise its judgement in the process of applying the company's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

**(b) Plant and Equipment**

Plant and equipment is measured using the cost basis, being cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The carrying amount of plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount for those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal.

The depreciable amount of all fixed assets is depreciated on a diminishing value basis over their estimated useful lives to the company commencing from the time the asset is held ready for use.

The estimated useful lives for the current and comparative periods are as follows:

	<u>2010 &amp; 2011</u>
Computers	3-5.5 years
Office equipment	10 years
Furniture, fixtures & fittings	8-20 years

**(c) Receivables**

All trade debtors are recognised at the amounts receivable as they are due for settlement no more than 90 days from the date of recognition.

Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. An allowance for impairment of receivables is raised when some doubt as to collection exists.

**(d) Lease Payments**

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee the risks and benefits incidental to ownership of the leased property, and operating leases, under which the lessor effectively retains all such risks and benefits.

Operating lease payments are charged to expense in the periods in which they are incurred.

**(e) Revenue Recognition**

*(i) Membership Revenue*

Membership subscription revenue is recognised when cash is received following the issue of membership renewal invitations. Any revenue received during the current financial year that relates to the next financial year is deferred as membership fees in advance.

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*(ii) Events, Conferences and Professional Development*

CivEnEx, Conference and Professional Development revenue is recognised when sales invoices are raised following the receipt of attendance application forms.

*(iii) Other Revenue*

Other revenue is recognised when sales invoices are raised following the despatch of goods or performance of services.

Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid.

**(f) Cash and cash equivalents**

For the purpose of the statement of cash flows, cash and cash equivalent includes deposits which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

**(g) Trade and Other Creditors**

These amounts represent liabilities for goods and services provided to the Institute prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**(h) Employee Benefits**

The policy for the calculation of leave liabilities is as follows:

**(i) Wages, Salaries and Annual Leave**

The provisions for employee entitlements to wages, salaries and annual leave represent the amount which the company has a present obligation to pay resulting from employees' services provided up to the balance date. The provision for leave has been calculated at nominal amounts based on wage and salary rates expected to apply when the leave is taken and includes related on-costs.

**(ii) Long service leave is provided for all employees after five years from the date of commencement of employment and includes related on-costs. Entitlements accrue at the rate of 1.3 weeks per year of service.**

The directors believe that this method provides an estimate of the liability that is not materially different from the estimate that would be obtained by using the present value basis of measurement.

**(iii) The company contributes to superannuation accumulation plans as nominated by the company's employees.**

**(i) Impairment of assets**

*i Financial assets*

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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 original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the statement of comprehensive income. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to the statement of comprehensive income.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

*ii Non-financial assets*

The carrying amounts of the company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the statement of comprehensive income. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(j) Income tax**

Much of the income of the company is "mutual" income as defined in tax law, whereby income derived from member sources is tax exempt. Taxable income includes income derived from non-member sources after deducting expenditure incurred in deriving that income.

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax basis of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(j) Income tax (continued)**

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 tax rates which are enacted or substantively enacted. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. 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 taxable profit or loss.

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

**(k) Funds held (spent) on behalf**

The company is responsible for maintaining various projects on behalf of third parties. Management fees are charged for these services. Any excess of monies raised over funds spent for these projects is treated as "funds held on behalf" in the statement of financial position. Any excess of monies spent over funds raised for these projects is treated as "funds spent on behalf" in the statement of financial position as this excess will be recovered by future funds raised.

**(l) Financial Instruments**

*Non-derivative financial instruments*

Non-derivative financial instruments comprise investments in equity and other securities, trade and other receivables, cash and cash equivalents and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs, except as described below. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the company's contractual rights to the cash flows from the financial assets expire or if the company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset.

Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the company commits itself to purchase or sell the asset. Financial liabilities are derecognised if the group's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and call deposits.

Accounting for finance income and expense is discussed in note 1(m).

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**(l) Financial Instruments** (continued)

*Held-to-maturity investments*

If the company has the positive intent and ability to hold debt securities to maturity, then they are classified as held-to-maturity. Held-to-maturity investments are measured at amortised cost using the effective interest method, less any impairment losses.

*Other*

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

**(m) Finance Income and Expenses**

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest method.

Finance expenses comprise interest expense on borrowings and impairment losses recognised on financial assets, of which there were none in the current year.

**(n) Goods and Services Tax**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

**(o) Inventories**

Goods held for sale are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs to make the sale.

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**(q) Change in Accounting Policy**

There has been no change in Accounting Policies.

**(r) Presentation of financial statements**

The company applies revised AASB 101 *Presentation of Financial Statements* (2007), which became effective as of 1 January 2009. As a result, the company presents in the statement of changes in equity all owners changes in equity, whereas all non-owners changes in equity are presented in the statement of comprehensive income.

Comparative information has been re-presented so that it also is in conformity with the revised standard.

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>2. REVENUE FROM CONTINUING OPERATIONS</b>		
Revenue from continuing operations:		
CivEnEx exhibition fees	1,018,666	931,070
Conferences and event registration fees	167,658	172,291
Conferences and events other income	42,000	6,000
Conferences and events sponsorship	120,136	178,318
Professional development programme registration fees	177,393	206,431
Professional development programme other income	48,251	22,031
Road safety programme registration, sponsorship and grants	12,479	56,125
Management fees	290,945	320,510
Membership subscriptions	154,522	106,967
Finance income	60,019	45,569
Sundry income	5,167	41,450
	<b>2,097,236</b>	<b>2,086,762</b>
Total revenue		
	<b>2,097,236</b>	<b>2,086,762</b>
<b>3. EXPENSES</b>		
Profit for the year includes:		
Depreciation	26,276	28,044
Employee benefits	796,671	824,088
Net movement in allowance for impairment	-	(4,535)
Rental expense		
Operating leases	153,244	140,526

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>4. INCOME TAX</b>		
<b>(a) Income Tax Expense</b>		
<b>Current</b>		
The income tax expense for the financial year differs from the amount calculated on the profit. The differences are reconciled as follows:		
Profit before income tax expense @ 30%	9,958	2,283
Add (deduct):		
Mutual income and timing differences	5,683	(5,619)
Benefit of tax losses now recognised	(4,020)	
Reversal of prior year over accrual	-	(1,027)
	<b>11,621</b>	<b>(4,363)</b>
Income tax (credit) expense	<b>11,621</b>	<b>(4,363)</b>
<b>(b) Deferred tax (liabilities)/assets</b>		
The following future income tax liability/benefit has not been recognised, as recovery is not considered probable:		
Tax losses	-	-
Temporary differences	39,930	2,009
	<b>39,930</b>	<b>2,009</b>
	<b>39,930</b>	<b>2,009</b>

The liability of these timing differences will only be obtained if:

- (i) the company derives future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the losses to be realised;
- (ii) the company continues to comply with the conditions for deductibility imposed by tax legislation; and
- (iii) no changes in tax legislation adversely affect the company in realising the benefit from the deductions for the losses.

**(c) Franking Credits**

The company has no franking credits available, and as a company limited by guarantee is prohibited from making distributions to members.

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>5. RETAINED SURPLUS</b>		
Retained surplus at the beginning of the year	552,313	540,339
Profit for the year	21,573	11,974
	<b>573,886</b>	<b>552,313</b>
<b>6. RESERVES</b>		
George A Taylor Memorial Fund	<b>554</b>	<b>554</b>
<b>7. CASH AND CASH EQUIVALENTS</b>		
Cash at bank and on hand and bank overdrafts	198,480	111,936
Cash on deposit, at call	1,228,763	1,168,748
	<b>1,427,243</b>	<b>1,280,684</b>
Held/(spent) on behalf of:		
IPWEA – NSW	574,307	533,319
Streets Opening Conference	-	(20,442)
CRS Certificate	1,115	1,115
Roads Directorate	850,727	765,525
Sydney Metro Works Officers Group	825	825
Sydney West Workers Group	(225)	(152)
Central West Works Officers Group	494	494
	<b>1,427,243</b>	<b>1,280,684</b>

The interest rate applicable to cash at bank is the variable rate applicable to cheque accounts and Online savers. At year end, the cheque account rate was 0.25% (2010: 0.25%) while online saver rate was 5.1%.

At year end, the interest rate applicable to deposits was 5% (2010: 3.5%).

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

	2011 \$	2010 \$
<b>8. TRADE AND OTHER RECEIVABLES</b>		
<b>Current</b>		
Seminar and conference debtors	120,085	61,365
Roads and Transport Directorate debtors	343,738	407,289
Less: allowance for impairment of receivables	(8,000)	(8,000)
Other debtors (Streets Opening Conference and Road Safety)	-	59,070
	<b>455,823</b>	<b>519,724</b>
<b>9. INVENTORY</b>		
DVDs – Budgeting and financials management	17,061	17,061
Gangers handbook	26,015	16,114
	<b>43,076</b>	<b>33,175</b>
<b>10. OTHER CURRENT ASSETS</b>		
Amounts due from IPWEA National	3,896	80,187
Amounts due from Municipal Engineering Foundation	-	21,437
Amounts due from Water Directorate	431	-
Prepayments (including National Conference 2011)	126,865	73,112
	<b>131,192</b>	<b>174,736</b>
<b>11. INVESTMENTS</b>		
<b>Current</b>		
Insurance Australia Group Shares	<b>1,242</b>	<b>1,242</b>
Market Value:	1,170	1,173
<b>Non-current</b>		
Unquoted, at cost:		
- George A Taylor Memorial Fund Investment	<b>554</b>	<b>554</b>
<b>12. PROPERTY, PLANT AND EQUIPMENT</b>		
Computers - at cost	174,020	180,260
Less: accumulated depreciation	(145,285)	(136,900)
	28,735	43,360
Office equipment - at cost	21,757	15,370
Less: accumulated depreciation	(9,201)	(6,505)
	12,556	8,865

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>12. PROPERTY, PLANT AND EQUIPMENT</b>		
(continued)		
Furniture, fixtures and fittings - at cost	132,139	132,139
Less: accumulated depreciation	<u>(96,603)</u>	<u>(92,742)</u>
	35,536	39,397
<b>Total</b>	<b><u>76,827</u></b>	<b><u>91,622</u></b>
<b>Reconciliations</b>		
Reconciliations of the carrying amounts of each class of property, plant and equipment are set out below:		
<b>Computers</b>		
Carrying amount at beginning of period	43,360	40,273
Additions	5,094	25,201
Disposals	-	-
Depreciation	<u>(19,719)</u>	<u>(22,114)</u>
Carrying amount at end of period	<u>28,735</u>	<u>43,360</u>
<b>Office Equipment</b>		
Carrying amount at beginning of period	8,865	9,469
Additions	6,387	1,205
Disposals	-	-
Depreciation	<u>(2,696)</u>	<u>(1,809)</u>
Carrying amount at end of period	<u>12,556</u>	<u>8,865</u>
<b>Furniture, Fixtures &amp; Fittings</b>		
Carrying amount at beginning of period	39,397	41,152
Additions	-	2,366
Disposals	-	-
Depreciation	<u>(3,861)</u>	<u>(4,121)</u>
Carrying amount at end of period	<u>35,536</u>	<u>39,397</u>
	<b><u>76,827</u></b>	<b><u>91,622</u></b>

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>13. TRADE AND OTHER PAYABLES</b>		
Trade creditors and accruals	213,832	169,438
Amount due to Water Directorate Inc	-	1,345
Amounts due to IPWEA NSW Foundation	2,731	-
FBT Payable	(2,343)	1,825
GST Payable	40,996	38,459
	<b>255,216</b>	<b>211,067</b>
 <b>14. EMPLOYEE BENEFITS</b>		
<b>Current</b>		
Annual leave provision	<b>87,896</b>	<b>67,717</b>
<b>Non-Current</b>		
Long service leave provisions	<b>61,900</b>	<b>38,836</b>
 <b>15. CURRENT TAX LIABILITIES</b>		
Balance at beginning of year	(12,468)	9,495
Income tax paid	(7,057)	(17,600)
Current year's income tax (credit) expense on profit	11,621	(3,336)
Over provision from prior year	-	(1,027)
	<b>(7,904)</b>	<b>(12,468)</b>
 <b>16. OTHER LIABILITIES</b>		
<b>Current</b>		
Advance Revenue	15,596	20,931
Funds held (spent) on behalf of		
- CSR Certificate course fees	1,115	1,115
- Road Safety Project (RTA & MAA)	-	-
- Streets Opening Conference	-	38,628
- Roads Directorate	1,146,604	1,181,877
- Sydney Metro Works Officers Group	825	825
- NSW Works Officers Panel	-	-
- Central West Works Group	494	494
- Sydney West Workers Group	(225)	(152)
	<b>1,164,409</b>	<b>1,243,718</b>

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>17. COMMITMENTS</b>		
Commitments in relation to operating leases contracted for at balance date but not recognised as liabilities, payable:		
Within one year	75,669	75,669
Later than one year but not later than 5 years	80,098	113,242
	<b>155,767</b>	<b>188,911</b>

**18. RELATED PARTIES**

**Directors**

The names of each person who held the position of Director of the company during the whole of the year are set out in the accompanying Directors' Report.

The directors of the company are also members of the company. During the year the directors paid membership subscriptions based on normal terms and conditions. The following transaction occurred in relation to the directors during the year:

Payment to director for preparation and presentation of Professional Development courses	12,250	17,500
------------------------------------------------------------------------------------------	--------	--------

**Key Management Personnel**

Key management personnel compensation for the year ended 30 June 2011 and 2010 is set out below. The key management personnel are directors of the company who receive no remuneration, and the executives involved in the strategic direction and management of the company.

<b>2011</b>	<b>348,798</b>
<b>2010</b>	<b>148,446</b>

During the year, IPWEA Conference and Street Opening Conference website update services with cost totalling \$Nil (2010: \$2,250) at normal market prices have been obtained by the company from Rural IT & Web Design Pty Ltd, of which J. Roydhouse, an Executive Officer of the company is a controlling owner.

**Other Transactions with Related Parties**

The company provides administration services to the Institute of Public Works Engineering Australia Limited, and the Municipal Engineering Foundation.

Charged to:

Institute of Public Works Engineering Australia Limited	144,000	142,294
Municipal Engineering Foundation	25,745	25,004
	<b>169,745</b>	<b>167,298</b>
Rental paid to Municipal Engineering Foundation:	57,408	54,000
	<b>57,408</b>	<b>54,000</b>

Amounts due from and to related parties are included in notes 10 and 14.

Administration services and rental fees are charged on commercial terms and conditions.

**INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED****INFORMATION FOR THE DIRECTORS  
ON THE 2011 FINANCIAL STATEMENTS****DETAILED STATEMENT OF COMPREHENSIVE INCOME****DISCLAIMER**

The additional financial information presented on the following pages are in accordance with the books and records of Institute of Public Works Engineering Australia (NSW Division) Limited which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 30 June 2011.

It will be appreciated that our statutory audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the company) in respect of the additional financial information, including any errors or omissions therein, arising through negligence or otherwise however caused.



**Nexia Court & Co.**  
Chartered Accountants

Sydney

Dated: *23 September 2011*

  
**David Gallery**  
Partner

UNAUDITED

INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED

STATEMENT OF INCOME & EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2011

	Schedule	2011 \$	2010 \$
<b>NET SURPLUS (DEFICIT)</b>			
Net surplus (deficit) from:			
CivEnEx	1	422,114	349,200
Events	2	(19,604)	89,313
Administration	3	(363,977)	(329,791)
Professional Development Programme	4	(10,293)	(18,592)
Road Safety Programme	5	4,954	(82,519)
		<u>33,194</u>	<u>7,611</u>
<b>PROFIT BEFORE INCOME TAX</b>			
<b>OTHER SCHEDULES</b>			
Funds held on behalf of:			
Street Opening Conference	6	-	38,628
CRS Certificate	7	1,115	1,115
Roads & Transport Directorate	8	1,146,604	1,181,876
Sydney Metro Works Officers	9	825	825
Central West Works Group	10	494	494
Sydney West Workers Group	11	(225)	(152)

INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED

STATEMENT OF OPERATING INCOME & EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2011

CIVENEX

	2011 \$	2010 \$
<b>INCOME</b>		
Exhibition fees	1,018,666	931,070
	<b>1,018,666</b>	<b>931,070</b>
<b>EXPENDITURE</b>		
Advertising	84,186	111,087
Contractors and outside services	177,964	151,600
Computer expenses	769	1,993
Donation	3,060	1,500
Electricity	15,000	20,586
General expenses	6,142	2,143
Accounting and Audit fee	5,000	5,000
Printing, postage and stationery	8,607	9,464
Salaries, wages and administration	24,941	29,569
Security and Cleaning	34,960	30,910
Superannuation	7,000	8,736
Insurance	3,003	1,695
Travel and accommodation	517	5,703
Venue and equipment hire	225,403	201,884
	<b>596,552</b>	<b>581,870</b>
<b>NET SURPLUS</b>	<b>422,114</b>	<b>349,200</b>

INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED

STATEMENT OF OPERATING INCOME & EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2011

EVENTS

	2011 \$	2010 \$
<b>INCOME</b>		
Registration fees	167,658	172,291
Sponsorship	120,136	178,318
Other income	42,000	6,000
	<u>329,794</u>	<u>356,609</u>
<b>EXPENDITURE</b>		
Advertising	4,429	4,230
Computer expenses	617	2,100
Contractors and outside services	10,000	23,648
Equipment hire	10,630	35,661
General expenses	3,488	1,618
Printing, postage and stationery	3,780	10,834
Salaries, wages and administration	141,795	51,530
Superannuation	18,795	8,227
Staff training	2,286	2,099
Travel and accommodation	29,046	6,188
Venue hire and Catering	124,532	121,161
	<u>349,398</u>	<u>267,296</u>
<b>NET (DEFICIT) SURPLUS</b>	<u>(19,604)</u>	<u>89,313</u>

INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED

STATEMENT OF OPERATING INCOME & EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2011

ADMINISTRATION

	2011	2010
	\$	\$
<b>INCOME</b>		
Management fees - Foundation	25,745	25,004
- National	144,000	142,294
- Road Safety Project	-	-
- Water Directorate	72,000	70,712
- Streets Opening Conference	-	34,500
- Roads and Transport Directorate	49,200	48,000
Member subscriptions	154,522	106,967
Sundry income	5,167	41,450
Interest	60,019	45,569
	<b>510,653</b>	<b>514,496</b>
<b>EXPENDITURE</b>		
Advertising and member promotions	39,193	29,963
Audit and accounting	13,652	7,319
Annual leave	13,354	11,587
Bad and doubtful debts	950	15,637
Bank charges	4,602	4,798
Board related expense	36,370	30,935
Capitation fee	41,950	38,820
Cleaning and Security services	3,657	3,192
Computer expenses	70,392	53,882
Contracted Services	1,000	-
Depreciation	26,276	28,044
Electricity	6,274	5,957
General expenses	18,724	14,639
Insurance	10,855	11,764
Long service leave	19,704	7,628
Printing, postage & stationery	56,579	56,325
Rent/rates	114,817	108,675
Salaries, PAYG and Payroll Tax	264,271	295,662
Sponsorship and donations	27,500	-
Staff training	4,390	8,252
Superannuation	53,383	56,381
Telephone	23,249	22,658
Travel and accommodation	23,488	32,169
	<b>874,630</b>	<b>844,287</b>
<b>NET (DEFICIT)</b>	<b>(363,977)</b>	<b>(329,791)</b>

INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED

STATEMENT OF OPERATING INCOME & EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2011

PROFESSIONAL DEVELOPMENT PROGRAMME

	2011 \$	2010 \$
<b>INCOME</b>		
Registration Fees	177,393	206,431
Ganger handbook sale	17,255	94
Other Income	30,996	21,937
	<u>225,644</u>	<u>228,462</u>
<b>EXPENDITURE</b>		
Engaged speakers	69,779	48,274
Legal fees	-	9,675
Printing, postage & stationery	6,150	19,083
Salaries	112,452	98,903
Staff training	7,977	1,905
Superannuation	14,530	16,271
Travel and accommodation	11,964	14,856
Venue hire and Catering	13,085	38,087
	<u>235,937</u>	<u>247,054</u>
<b>NET SURPLUS (DEFICIT)</b>	<u>(10,293)</u>	<u>(18,592)</u>

INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED

STATEMENT OF OPERATING INCOME & EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2011

ROAD SAFETY PROGRAMME

	2011 \$	2010 \$
<b>INCOME</b>		
Registration Fees	-	8,858
Sponsorship – Awards and forum	-	2,325
Road Safety Auditors register grants	12,479	44,942
	<u>12,479</u>	<u>56,125</u>
<b>EXPENDITURE</b>		
Contribution from RTA-R/S Auditors Register	-	1270
Computer expenses	1,800	2,723
Engaged speakers and contractors	-	10,644
General expenses	364	3,004
Printing, postage & stationery	-	3,307
Salaries	4,493	93,414
Superannuation	405	12,555
Staff training	-	6,046
Travel and accommodation	-	2,254
Venue hire and Catering	463	3,427
	<u>7,525</u>	<u>138,644</u>
<b>NET SURPLUS (DEFICIT)</b>	<u>4,954</u>	<u>(82,519)</u>

INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED

STATEMENT OF OPERATING INCOME & EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2011

STREETS OPENING CONFERENCE

	2011 \$	2010 \$
<b><u>SOC General</u></b>		
<b>INCOME</b>		
Subscription Written Off	(33,700)	(6,000)
	<u>(33,700)</u>	<u>(6,000)</u>
<b>EXPENDITURE</b>		
Training project	-	1,349
General overheads	-	1,507
Computer/website expense	81	663
Management fee – IPWEA Support		34,500
	<u>81</u>	<u>38,019</u>
<b>(UTILISED)/SURPLUS FUNDS</b>	<b><u>(33,781)</u></b>	<b><u>(44,019)</u></b>
<b><u>SOC Centenary</u></b>		
<b>INCOME</b>		
Special levy 2009/2010	(20,000)	(10,000)
Reversal of over accrued expenses	15,153	23,100
	<u>(4,847)</u>	<u>13,100</u>
<b>EXPENDITURE</b>		
Displays and printing	-	-
3 <sup>rd</sup> party contractors	-	-
General overheads	-	-
Conference administration/accommodation/meals etc	-	-
	<u>-</u>	<u>-</u>
<b>(UTILISED)/SURPLUS FUNDS</b>	<b><u>(4,847)</u></b>	<b><u>13,100</u></b>
<b>FUNDS HELD ON BEHALF OF STREETS OPENING CONFERENCE</b>		
Balance at beginning of year	38,628	69,547
Profit/(Deficit) for the year (SOC General and SOC Centenary)	<u>(38,628)</u>	<u>(30,919)</u>
<b>Balance at end of year</b>	<b><u>-</u></b>	<b><u>38,628</u></b>

INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED

STATEMENT OF OPERATING INCOME & EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2011

CRS CERTIFICATE

	2011 \$	2010 \$
<b>INCOME</b>		
Registration fees	-	-
<b>EXPENDITURE</b>		
General overheads	-	-
<b>UTILISED FUNDS</b>	-	-
<b>INCOME RECEIVED IN ADVANCE – CRS CERTIFICATE</b>		
Balance at beginning of year	1,115	1,115
Surplus /(deficit) for the year	-	-
<b>Balance at end of year</b>	<b>1,115</b>	<b>1,115</b>

INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED

STATEMENT OF OPERATING INCOME & EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2011

ROADS & TRANSPORT DIRECTORATE

	2011 \$	2010 \$
<b>INCOME</b>		
Subscriptions	428,460	398,550
Green specifications project income	-	28,733
Bridge inspection manual sale	100	700
Fair value valuation guidelines sale	700	2,600
	<u>429,260</u>	<u>430,583</u>
<b>EXPENDITURE</b>		
Asset Management Software Spec	5,600	4,558
Benchmarking Project	101,023	-
Green specifications project expenses	-	18,483
Road Funding project	-	14,400
Crushed Glass Project	5,000	5,000
Standard Operating Process Project	-	4,939
Fair Value Valuation Guide	-	-
Cost Index Project	52,381	-
Research Index Project	5,600	-
Land Matters Manual Project	13,723	-
Bridge Operating Project	-	-
Travel, accommodation and conference	23,961	13,403
Project staff	139,517	147,512
Seminars, conferences and general	26,141	27,372
Printing, postage and stationary	42,386	8,111
Support costs – IPWEA NSW	49,200	48,000
	<u>464,532</u>	<u>291,778</u>
<b>SURPLUS FUNDS</b>	<u>(35,272)</u>	<u>138,805</u>
<b>FUNDS HELD ON BEHALF OF ROADS &amp; TRANSPORT DIRECTORATE</b>		
Balance at beginning of year	1,181,876	1,043,071
Surplus for the year	(35,272)	138,805
<b>Balance at end of year</b>	<u>1,146,604</u>	<u>1,181,876</u>

INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED

STATEMENT OF OPERATING INCOME & EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2011

SYDNEY METRO WORKS OFFICERS GROUP

	2011 \$	2010 \$
<b>INCOME</b>		
Contribution	-	-
<b>EXPENDITURE</b>		
	-	-
<b>DEFICIT</b>	-	-
<b>FUNDS HELD ON BEHALF OF SYDNEY METRO WORKS OFFICERS GROUP</b>		
Balance at beginning of year	825	825
Deficit for the year	-	-
<b>Balance at end of year</b>	<b>825</b>	<b>825</b>

INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED

STATEMENT OF OPERATING INCOME & EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2011

CENTRAL WEST WORKS GROUP

	2011 \$	2010 \$
<b>INCOME</b>		
Contributions and collections	-	-
<b>EXPENDITURE</b>		
General expenses	-	-
<b>SURPLUS</b>	-	-
<b>FUNDS HELD ON BEHALF OF NSW WORKS OFFICERS PANEL</b>		
Balance at beginning of year	494	494
Surplus for the year	-	-
<b>Balance at end of year</b>	<b>494</b>	<b>494</b>

INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA  
(NSW DIVISION) LIMITED

STATEMENT OF OPERATING INCOME & EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2011

SYDNEY WEST WORKERS GROUP

	2011 \$	2010 \$
<b>INCOME</b>		
Contributions and collections	<u>1,400</u>	<u>1,540</u>
<b>EXPENDITURE</b>		
General expenses	<u>(1,473)</u>	<u>(1,333)</u>
<b>(DEFICIT) SURPLUS</b>	<u>(73)</u>	<u>207</u>
<b>FUNDS HELD ON BEHALF OF NSW WORKS OFFICERS PANEL</b>		
Balance at beginning of year	(152)	(359)
(Deficit)/Surplus for the year	<u>(73)</u>	<u>207</u>
<b>Balance at end of year</b>	<u>(225)</u>	<u>(152)</u>