Fair Work Commission

1 December 2025

Norman Anderson
President
The Master Plumbers' and Mechanical Services Association of Australia
Sent via email: president@plumber.com.au
CC: rhutton@mcdb.com.au

Dear Norman Anderson

The Master Plumbers' and Mechanical Services Association of Australia
Financial Report for the year ended 30 June 2025 – (FR2025/68)

I acknowledge receipt of the financial report for the year ended 30 June 2025 for the Master Plumbers' and Mechanical Services Association of Australia. The documents were lodged with the Fair Work Commission (the Commission) on 27 November 2025.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

Reporting Requirements

The Commission website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the section 253 reporting guidelines and a model set of financial statements.

The Commission recommends that reporting units use these model financial statements to assist in complying with the *Fair Work (Registered Organisations) Act 2009* (RO Act), the section 253 reporting guidelines and Australian Accounting Standards. Access to this information is available via this link.

If you have any queries regarding this letter, please call 1300 341 665 or email regorgs@fwc.gov.au.

Yours sincerely

Fair Work Commission

Docusign Envelope ID: 74940CA5-C43A-4479-8A38-C75C8A3C417F

master plumbers
Expert. Committed. Professional.

Registered Organisations Commission
GPO Box 2983
MELBOURNE VIC 3001

The Master Plumbers' & Mechanical Services Association of Australia
Financial report for the year ended 30 June 2025

DESIGNATED OFFICERS CERTIFICATE

s.268 Fair Work (Registered Organisations) Act 2009

I, Ashleigh Dalmau, being the Secretary of the Master Plumbers' & Mechanical Services Association of Australia certify:

- that the document lodged herewith is a copy of the full report for the Master Plumbers & Mechanical Services Association of Australia for the period ended 30 June 2025 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members on 22 October 2025; and
- that the full report was presented to a general meeting of members of the reporting unit on 13 November 2025 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Kind regards,

Signed by:
[redacted]
CD3F1839203E4F8...
Ashleigh Dalmau
MPMSAA Secretary & CEO

Date: 27 November 2025 | 2:22 PM AEDT

Bentleys Audit (Victoria) Pty Ltd
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Hawthorn Vic 3122
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MASTER PLUMBERS' AND MECHANICAL SERVICES ASSOCIATION OF AUSTRALIA ("MPMSAA")

Opinion
I have audited the financial report of Master Plumbers' and Mechanical Services Association of Australia ("MPMSAA"), which comprises the consolidated and parent entity statement of financial position as at 30 June 2025 and the consolidated and parent entity statement of profit or loss and other comprehensive income, consolidated and parent entity statement of changes in equity and consolidated and parent entity statement of cash flows for the year then ended, notes comprising a summary of material accounting policies and other explanatory information, the Executive Boards' certification and the subsection 255(2A) report and the Officer Declaration Statement of the economic entity comprising the Association and the entities it controlled at years end or from time to time during the financial year.

In my opinion the accompanying financial report of MPMSAA presents fairly, in all material respects, the consolidated and parent entity's financial position as at 30 June 2025 and their financial performance and their cash flows for the year then ended in accordance with:

(i) Australian Accounting Standards; and

(ii) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

I declare that the Executive Board's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

Basis for Opinion
I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Financial Report and Auditor's Report Thereon
The Executive Board of MPMSAA is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

A member of Bentleys, a network of independent accounting firms throughout Australia and New Zealand that trade as Bentleys. All members of the Bentleys Network are affiliated only and are separate legal entities and not in Partnership. Liability limited by a scheme approved under Professional Standards Legislation. Bentleys Victoria is an independent member of Kreston Global.

Advisors
Accountants
Auditors

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MASTER PLUMBERS' AND MECHANICAL SERVICES ASSOCIATION OF AUSTRALIA ("MPMSAA") (CONTINUED)

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the Executive Board for the Financial Report
The Executive Board of MPMSAA is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Executive Board determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Executive Board is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Executive Board either intends to liquidate the Reporting Unit or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report
My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards 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 economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, 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 my 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 Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Board.
- Conclude on the appropriateness of the Executive Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MASTER PLUMBERS' AND MECHANICAL SERVICES ASSOCIATION OF AUSTRALIA ("MPMSAA") (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Report (Continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit's audit. I remain solely responsible for my audit opinion.

I communicate with the Executive Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an auditor registered under the RO Act.

Report on Other Legal and Regulatory Requirements
In accordance with the requirements of section 257(7) of the RO Act, I am required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act.

I did not identify any matters to report in this regard.

Bentleys Audit (Victoria) Pty Ltd

Bentleys Audit (Victoria) Pty Ltd

[redacted]

Rod Hutton
Partner

Hawthorn
21 October 2025

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/52

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Master Plumbers' & Mechanical Services Association of Australia

ABN 56 296 473 997

Financial Report

For the year ended 30 June 2025

Docusign Envelope ID: 40E1F171-084B-405E-8A6C-797A1AB22905

Master Plumbers' & Mechanical Services Association of Australia

ABN 56 296 473 997

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Master Plumbers' & Mechanical Services Association of Australia

ABN 56 296 473 997

Operating Report

The Executive Board members submit the financial report of the Master Plumbers' & Mechanical Services Association of Australia and controlled entity for the financial year ended 30 June 2025.

Members of Executive Board
The names of executive board members throughout the year and at the date of this report are:

Norm Anderson	(President)
Grant Donald	(Treasurer)
Scott Dowsett	(Vice President)
Daniel Smolenaars	(Vice President)
David Geschke	(Board Member)
David McCarthy	(Board Member)
Kevin Shinners	(Board Member)
Greg Tink	(Board Member), resigned 21st October 2024
Paula Withington	(Board Member), elected 21st October 2024
Peter Daly	(Secretary, non-voting), resigned 30th May 2025
Ken Gardner	(Secretary, non-voting), appointed 19th May 2025

Officers or Members – Trustee or Director of a Superannuation Entity
No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

Number of Members
As at 30 June 2025, the Association had 1,053 members (2024: 1,076).

Number of Employees
As at 30 June 2025, the total number of employees of the Association was 185 (2024: 210).

Principal Activities
The principal activities of the Association during the financial year were to provide services, training and advice on industrial law to the membership and the Australian plumbing sector. The Association achieved results in the following areas:

- Delivered training to the Australian plumbing sector including Apprenticeship training and post qualification training
- Ongoing operation of a Group Training Scheme for plumbing apprentices
- High level Federal and State Government advocacy on plumbing related issues.

No significant change in the nature of these activities occurred during the year.

Significant Changes in Financial Affairs

No significant changes in the Association's financial affairs occurred during the financial year.

Operating Result

The operating profit for the consolidated entity and parent entity for financial year after providing for income tax amounted to $191,021 and $188,278 respectively.

Events Subsequent to the End of the Reporting Period

No other matters or circumstances have arisen since the end of the financial year which may significantly affect the operations of the Association, the results of those operations, or the statement of affairs of the Association in subsequent years.

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Manner of Resignation

(1) A member of the Association or an affiliate member may resign from membership by written notice addressed and delivered to the Secretary or Executive Director.

(2) A notice of resignation from membership of the Association takes effect;

(a) where the member ceases to be eligible to become a member of the Association;

(i) on the day on which the notice is received by the Association; or

(ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;

whichever is later; or

(b) in any other case:

(i) at the end of 14 days after the notice is received by the Association; or

(ii) no the day specified in the notice;

(3) Any dues payable but not paid by a former member of the Association, in relation to a period before the member's resignation from the Association took effect, may be sued for and recovered in the name of the Association, in a court of competent jurisdiction, as a debt due to the Association.

(4) A notice delivered to the person mentioned in subsection (1) shall be taken to have been received by the Association when it was delivered.

(5) A notice of resignation that has been received by the Association is not in-valid because it was not addressed and delivered in accordance with subsection (1).

(6) A resignation from membership of the Association is valid even if it is not effected in accordance with this section if the member is informed in writing by or on behalf of the Association that the resignation has been accepted.

Signed by:

[redacted]

01EBC62AA89C4A3...

Norm Anderson

President

Dated in Melbourne on this 21st day of October 2025.

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Master Plumbers' & Mechanical Services Association of Australia

ABN 56 296 473 997

Report Required Under Subsection 255 (2a)
For the Year Ended 30 June 2025

The Executive Board members present the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2025.

Descriptive form:

Categories of expenditures	2025 $	2024 $
Remuneration and other employment-related costs and expenses - employees	16,015,242	15,506,522
Advertising	69,112	72,985
Operating costs	3,913,651	3,598,592
Donations to political parties	-	-
Legal costs	21,691	24,369

Signed by:
[redacted]
01EBC62AA89C4A3...

Norm Anderson

President

Dated in Melbourne on this 21st day of October 2025.

The accompanying notes form part of these financial statements.

Master Plumbers' & Mechanical Services Association of Australia

ABN 56 296 473 997

Statement of Profit or Loss and Other Comprehensive Income
For The Year Ended 30 June 2025

		Group		Parent	
		2025	2024 Restated	2025	2024 Restated
	Notes	$	$	$	$
Revenue	2	20,284,268	18,771,255	20,207,974	18,574,606
Employee related expenses		(16,086,976)	(15,681,140)	(16,015,242)	(15,506,522)
Marketing and advertising expenses		(69,112)	(72,985)	(69,112)	(72,985)
Occupancy expenses		(261,573)	(221,920)	(261,573)	(221,920)
Members services expenses		(579,499)	(464,351)	(579,499)	(464,351)
Professional services fees		(341,425)	(370,948)	(341,425)	(370,948)
Insurance expenses		(239,919)	(197,838)	(239,142)	(196,961)
Computer expenses		(415,796)	(367,305)	(415,796)	(367,305)
Motor vehicle expenses		(76,217)	(84,523)	(76,217)	(84,523)
Printing, postage and stationery expenses		(293,902)	(276,491)	(293,902)	(276,491)
Legal expenses		(21,691)	(25,050)	(21,691)	(24,369)
Subscriptions to industrial bodies		(146,084)	(122,894)	(146,084)	(122,894)
Payroll tax		(337,159)	(238,450)	(334,733)	(225,018)
Depreciation/Amortisation		(443,108)	(457,644)	(443,108)	(457,644)
Other expenses		(780,786)	(815,465)	(782,172)	(810,537)
Total expenses		(20,093,247)	(19,397,004)	(20,019,696)	(19,202,468)
(Loss)/Profit before income tax	3	**191,021**	**(625,749)**	**188,278**	**(627,862)**
Income tax expense	1(c)	-	-	-	-
(Loss)/Profit from operations		**191,021**	**(625,749)**	**188,278**	**(627,862)**
Other comprehensive income					
Revaluation increments in land & building		-	153,976	-	153,976
Gains on financial assets		26,139	73,796	26,139	73,796
Total comprehensive (loss) income for the year		**217,160**	**(397,977)**	**214,417**	**(400,090)**

The accompanying notes form part of these financial statements.

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Master Plumbers' & Mechanical Services Association of Australia

ABN 56 296 473 997

Statement of Financial Position
As At 30 June 2025

		Group		Parent	
		2025	2024 Restated	2025	2024 Restated
	Notes	$	$	$	$
Current assets					
Cash and cash equivalents	6	2,131,578	2,297,511	2,012,171	2,155,300
Trade and other receivables	7	2,190,106	1,921,137	2,231,349	1,975,647
Other assets	8	274,204	274,180	271,654	274,180
Financial assets	12	540,236	510,490	540,236	510,490
Total current assets		5,136,124	5,003,318	5,055,410	4,915,617
Non-current assets					
Financial assets	12	4,350,115	3,980,015	4,350,115	3,980,015
Property, plant and equipment	9	2,938,912	3,121,279	2,938,912	3,121,279
Right-of-use assets	10	185,700	231,935	185,700	231,935
Investments	11	8,827,196	8,970,588	8,827,256	8,970,648
Intangibles	13	84,466	64,047	84,466	64,047
Total non-current assets		16,386,389	16,367,864	16,386,449	16,367,924
Total assets		21,522,513	21,371,182	21,441,859	21,283,541
Current liabilities					
Trade and other payables	14	1,714,196	1,666,062	1,698,825	1,640,617
Lease liabilities	15	12,534	18,283	12,534	18,283
Provisions	16	1,154,364	1,272,127	1,150,164	1,268,271
Total current liabilities		2,881,094	2,956,472	2,861,523	2,927,171
Non-current liabilities					
Lease liabilities	15	263,229	275,764	263,229	275,764
Provisions	16	78,934	56,850	78,934	56,850
Total non-current liabilities		342,163	332,614	342,163	332,614
Total liabilities		3,223,257	3,289,086	3,203,686	3,259,785
Net assets		18,299,256	18,082,096	18,238,173	18,023,756
Equity					
Retained earnings		18,172,605	17,981,584	18,111,522	17,923,244
Reserves	17	126,651	100,512	126,651	100,512
Total equity		18,299,256	18,082,096	18,238,173	18,023,756

The accompanying notes form part of these financial statements.

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Master Plumbers' & Mechanical Services Association of Australia

ABN 56 296 473 997

Statement of Changes in Equity
For the Year Ended 30 June 2025

	Retained Earnings $	Reserves $	Total $
Group			
Balance at 30 June 2023 (Restated)	18,607,333	(127,260)	18,480,073
Loss for the year (Restated)	(625,749)	-	(625,749)
Other comprehensive income (Restated)	-	227,772	227,772
Balance at 30 June 2024 (Restated)	17,981,584	100,512	18,082,096
Profit for the year	191,021	-	191,021
Other comprehensive income	-	26,139	26,139
Balance at 30 June 2025	**18,172,605**	**126,651**	**18,299,256**

	Retained Earnings $	Reserves $	Total $
Parent			
Balance at 30 June 2023 (Restated)	18,551,106	(127,260)	18,423,846
Loss for the year (Restated)	(627,862)	-	(627,862)
Other comprehensive income (Restated)	-	227,772	227,772
Balance at 30 June 2024(Restated)	17,923,244	100,512	18,023,756
Profit for the year	188,278	-	188,278
Other comprehensive income	-	26,139	26,139
Balance at 30 June 2025	**18,111,522**	**126,651**	**18,238,173**

The accompanying notes form part of these financial statements.

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Statement of Cash Flows
For the Year Ended 30 June 2025

	Notes	Group 2025 $	Group 2024 $	Parent 2025 $	Parent 2024 $
Cash flow from operating activities					
Receipts from members and customers		21,798,878	19,988,603	21,711,844	19,733,866
Interest received		123,798	138,303	123,798	138,303
Payments to suppliers and employees		(21,583,490)	(20,987,001)	(21,490,153)	(20,784,188)
Interest payments and other finance costs		(15,267)	(16,176)	(15,267)	(16,176)
Lease payments for leases of low-value assets		-	-	-	-
Income taxes paid		-	-	-	-
Receipts from controlled entity	18(b)	-	-	16,501	13,200
Payments to controlled entity	18(b)	-	-	-	-
Net cash (used in) / provided by operating activities	18(a)	323,919	(876,271)	346,723	(914,995)
Cash flow from investing activities					
Purchase of property, plant and equipment		(68,715)	(102,995)	(68,715)	(102,995)
Proceeds/(payment) from sale of property, plant and equipment		16,277	20,000	16,277	20,000
Purchase of investment property		-	-	-	-
Purchase of Intangible asset		(45,423)	(3,012)	(45,423)	(3,012)
Proceeds from/(purchase of) financial assets		(373,707)	480,616	(373,707)	480,616
Net cash provided by / (used in) investing activities		(471,568)	394,609	(471,568)	394,609
Cash flow from financing activities					
Repayment of lease liabilities		(18,284)	(12,145)	(18,284)	(12,145)
Net cash used in financing activities		(18,284)	(12,145)	(18,284)	(12,145)
Net (decrease)/increase in cash held		**(165,933)**	**(493,807)**	**(143,129)**	**(532,531)**
Cash at beginning of financial year		2,297,511	2,791,318	2,155,300	2,687,831
Cash at end of financial year	6	**2,131,578**	**2,297,511**	**2,012,171**	**2,155,300**

Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 1: Statement Of Material Accounting Policies

The financial statement includes the consolidated financial statements and notes of Master Plumbers' & Mechanical Services Association of Australia (MPMSAA) and Controlled Entity (the "consolidated group or "group"), and the separate financial statements and notes of MPMSAA as an individual parent entity ("parent entity" or "parent"). MPMSAA is an Association registered under the Fair Work (Registered Organisations) Act 2009 ('RO Act"). The Association is not divided into branches and accordingly, the reporting unit is the whole of the organisation

Basis of Preparation

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, MPMSAA is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

Accounting Policies

(a) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent entity ("the parent"), MPMSAA, and its subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Details of the subsidiary are provided in Note 19.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

(b) Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured in each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations, other than those associated with the issue of a financial instrument, are recognised as expenses in profit or loss when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

(c) Income Tax

MPMSAA is exempt from income tax in accordance with Section 50-15 of the Income Tax Assessment Act 1997. The subsidiary Plumbing Staff Solutions Pty Ltd is subject to income tax in accordance with corporate tax rate of 25% on taxable income.

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 1: Statement Of Material Accounting Policies (Cont'd)

(d) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers.

In the periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuation to ensure the land and buildings' carrying amount is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of profit or loss and other comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Board to ensure it is not in excess of the recoverable amount from 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 expected net cash flows have been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated on a straight line or reducing balance basis over their useful lives to the Association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of fixed assets	Depreciation rates
Buildings	2%
Furniture and Fittings	7.5% – 20%
Office Equipment	5% – 66.67%
Motor Vehicles	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

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 the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(e) Investment Property

Investment properties, comprising freehold complexes, are held to generate rental yields. All tenant leases are on an arm's length basis. Investment property is carried at cost less accumulated depreciation and impairment losses

Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 1: Statement Of Material Accounting Policies (Cont'd)

(f) Leases

Association as a lessee

The Association applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Association recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Association recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Association at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Association recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Association and payments of penalties for terminating the lease, if the lease term reflects the Association exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Association uses implicit interest rate or incremental borrowing rate if the implicit lease rate is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Association short-term leases are those that have a lease term of 12 months or less from the commencement. It also applies the lease of low-value assets recognition exemption to leases of all leases that are below $10,000. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(g) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 1: Statement Of Material Accounting Policies (Cont'd)

(g) Financial Instruments (Cont'd)

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:

- amortised cost; or
- fair value through other comprehensive income; or
- fair value through profit and loss

on the basis of the two primary criteria, being:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit and loss.

The initial designation of the financial instruments to measure at fair value through profit and loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the entity made an irrevocable election to measure the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit and loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the entity's accounting policy.

Note 1: Statement Of Material Accounting Policies (Cont'd)

(g) Financial Instruments (Cont'd)

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The entity used the following approaches to impairment, as applicable under AASB 9:

- the simplified approach; and
- low credit risk operational simplification.

Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 1: Statement Of Material Accounting Policies (Cont'd)

(g) Financial Instruments (Cont'd)

Impairment (Cont'd)

Simplified approach

The simplified approach does not require tracking of changes in credit risk in every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the entity assumed that the credit risk has not increased significantly since initial recognition and accordingly can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such determination that the financial asset has low credit risk, the entity applied its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or relative to the credit risk of the jurisdiction in which it operates

Recognition of expected credit losses in financial statements

At each reporting date, the entity recognised the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. An amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

(h) Impairment of Assets

At each reporting date, the Association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Association were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 1: Statement Of Material Accounting Policies (Cont'd)

(i) Employee Benefits

Short-term employee benefits

Provision is made for the Association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Association's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Long-term employee benefits

The Association classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Association's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The Association's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the Association does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

(j) Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(k) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(l) Revenue

The Association enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, host trainer income, training services, and grants.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the Association has a contract with a customer, the Association recognises revenue when or as it transfers control of goods or services to the customer. The Association accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 1: Statement Of Material Accounting Policies (Cont'd)

(l) Revenue (Cont'd)

Income of the Association as a Not-for-Profit Entity

Consideration is received by the Association to enable the entity to further its objectives. The Association recognises each of these amounts of consideration as income when the consideration is received (which is when the Association obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- the Association's recognition of the cash contribution does not give rise to any related liabilities.

Membership subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Association.

If there is only one distinct membership service promised in the arrangement, the Association recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Association's promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Association allocates the transaction price to each performance obligation based on the relative standalone selling prices of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Association charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), the Association recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Association has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Association at their standalone selling price, the Association accounts for those sales as a separate contract with a customer.

Host trainer income

Host trainer income is recognised relating to rendering of services as the performance obligations are satisfied over time.

Training services

Training services is recognised relating to rendering of services as the performance obligations are satisfied over time.

Government grants

Government grants are not recognised until there is reasonable assurance that the Association will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Association recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Association should purchase, construct otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Association with no future related costs are recognised in profit or loss in the period in which they become receivable.

Interest income

Interest revenue is recognised on an accrual basis using the effective interest method.

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 1: Statement Of Material Accounting Policies (Cont'd)

(l) Revenue (Cont'd)

Rental income

Leases in which the Association as a lessor, does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the relevant lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(n) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(o) Critical Accounting Estimates and Judgments

The Board members evaluate estimates and judgments incorporated into the financial statement based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

Key estimates — Impairment

The Association assesses impairment at each reporting date by evaluating conditions specific to the Association that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key Judgments - Financial assets designated at fair value through other comprehensive income

The Association maintains a portfolio of securities with a carrying amount of $4,350,115 at the end of the reporting period. Certain individual investments have declined in value since the initial acquisition of those investments. The board members do not believe this decline constitutes a significant or prolonged decline below cost at this stage and hence no impairment has been recognised. Should share values decline to a level which is in excess of 30% below cost or should prices remain at levels below cost for a period in excess of 12 months, the board members have determined that such investments will be considered impaired in the future.

(p) New Australian Accounting Standards

Adoption of New Australian Accounting Standards

No accounting standard has been adopted earlier than the application date stated in the standard.

Future Australian Accounting Standards Requirements

There are no new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a material future financial impact on the Association.

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 1: Statement Of Material Accounting Policies (Cont'd)

(q) Prior period adjustment

Correction of Accrued income and Reserves

During the financial year, management of the Association identified that accrued income balances in the prior year included excess debtor amounts that were incorrectly recognised. In accordance with the accounting policies outlined in Note 1, it was determined that these balances did not represent valid receivables and should have been reversed in the prior period.

As a result, a prior period adjustment was made to correct the overstatement of accrued income and related revenue, with the corresponding adjustment recognised against opening retained earnings as at 30 June 2023 and trade receivable, revenue and retained earnings of 30 June 2024. The impact of this prior period adjustment on the previously reported Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, and Consolidated Statement of Cash Flows is as follows:

Group

Statement of Financial Position (extract):	30 June 2023	Prior period adjustment	30 June 2023 (Restated)
	$	$	$
Trade and other receivables	2,865,045	(1,137,831)	1,727,214
Total current assets	6,339,151	(1,137,831)	5,201,320
Total Assets	23,320,283	(1,137,831)	22,182,452
Net Assets	19,617,904	(1,137,831)	18,480,073
Retained earnings	19,745,164	(1,137,831)	18,607,333

	30 June 2024	Prior period adjustment	30 June 2024 (Restated)
	$	$	$
Trade and other receivables	3,379,658	(1,458,521)	1,921,137
Total current assets	6,461,839	(1,458,521)	5,003,318
Total Assets	22,829,703	(1,458,521)	21,371,182
Net Assets	19,540,617	(1,458,521)	18,082,096
Retained earnings	19,440,105	(1,458,521)	17,981,584

Statement of Comprehensive Income (extract):	30 June 2024	Prior period adjustment	30 June 2024 (Restated)
	$	$	$
Revenue – Training services	19,091,945	(320,690)	18,771,255
Net (deficit)/surplus for the year	(305,059)	(320,690)	(625,749)

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 1: Statement Of Material Accounting Policies (Cont'd)

Statement of Changes in equity (extract):	30 June 2023	Prior period adjustment	30 June 2023 (Restated)
	$	$	$
Retained earnings	19,745,164	(1,137,831)	18,607,333

	30 June 2024	Prior period adjustment	30 June 2024 (Restated)
	$	$	$
Loss for the year	(305,059)	(320,690)	(625,749)

Parent

Statement of Financial Position (extract):	30 June 2023	Prior period adjustment	30 June 2023 (Restated)
	$	$	$
Trade and other receivables	2,894,332	(1,137,831)	1,756,501
Total current assets	6,264,951	(1,137,831)	5,127,120
Total Assets	23,246,143	(1,137,831)	22,108,312
Net Assets	19,561,677	(1,137,831)	18,423,846
Retained earnings	19,688,937	(1,137,831)	18,551,106

	30 June 2024	Prior period adjustment	30 June 2024 (Restated)
	$	$	$
Trade and other receivables	3,434,168	(1,458,521)	1,975,647
Total current assets	6,374,138	(1,458,521)	4,915,617
Total Assets	22,742,062	(1,458,521)	21,283,541
Net Assets	19,482,277	(1,458,521)	18,023,756
Retained earnings	19,381,765	(1,458,521)	17,923,244

Statement of Comprehensive Income (extract):	30 June 2024	Prior period adjustment	30 June 2024 (Restated)
	$	$	$
Revenue – Training services	18,895,296	(320,690)	18,574,606
Net (deficit)/surplus for the year	(307,172)	(320,690)	(627,862)

Master Plumbers' & Mechanical Services Association of Australia

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 1: Statement Of Material Accounting Policies (Cont'd)

Statement of Changes in equity (extract):	30 June 2023	Prior period adjustment	30 June 2023 (Restated)
	$	$	$
Retained earnings	19,688,937	(1,137,831)	18,551,106

	30 June 2024	Prior period adjustment	30 June 2024 (Restated)
	$	$	$
Loss for the year	(307,172)	(320,690)	(627,862)

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 2: Revenue

	Group		Parent	
	2025	**2024 Restated**	**2025**	**2024 Restated**
		$	**$**	**$**
Revenue from contracts with customers:				
- Host trainer revenue	9,954,190	10,753,428	9,867,896	10,526,956
- Members' subscriptions and related services	1,533,326	1,529,550	1,533,326	1,529,671
- Training services	5,947,444	4,053,605	5,947,444	4,053,605
- Royalties	136,861	269,568	136,861	269,568
- Magazines sales	355,703	256,055	355,703	256,055
	17,927,524	16,862,206	17,841,230	16,635,855
Other revenue:				
- Government grants	1,148,215	1,153,159	1,148,215	1,152,861
- Rental from properties	174,496	180,345	174,496	180,345
- Interest income	123,798	138,303	123,798	138,303
- Other revenue	723,290	283,084	733,290	313,084
- Workcover recovery	20,684	24,609	20,684	24,609
- Investment income	166,261	129,549	166,261	129,549
- Profit/(loss) – Sale of Financial Asset	-	-	-	-
	2,356,744	1,909,049	2,366,744	1,938,751
Total Revenue	20,284,268	18,771,255	20,207,974	18,574,606

Note 3: Profit for the Year

	Group		Parent	
	2025	**2024**	**2025**	**2024**
	$	**$**	**$**	**$**
Expenses				
Depreciation – property, plant and equipment	228,477	253,017	228,477	253,017
Depreciation – investment property	143,392	143,392	143,392	143,392
Depreciation – right-of-use assets	46,235	46,235	46,235	46,235
Amortisation – intangibles	25,004	15,000	25,004	15,000
Total depreciation and amortisation expense	443,108	457,644	443,108	457,644
Provision for expected credit losses	34,020	34,556	34,020	34,556
Bad debts expenses/(recovered)	(56,471)	(268)	(56,471)	(268)
Loss/(gain) on sale of plant and equipment	(6,328)	(12,941)	(6,328)	(12,941)
Legal costs:				
- Litigation	-	-	-	-
- Other legal matters	21,691	25,050	21,691	24,369
Donations:				
- Paid that were $1,000 or less	4,006	-	4,006	-
- Paid that exceeded $1,000 or more	-	10,000	-	10,000
Wage subsidy	30,102	100,318	30,102	99,990
Interest on lease liabilities	15,267	16,176	15,267	16,176

Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 3: Profit For The Year (Cont'd)

	Group		Parent	
	2025	**2024**	**2025**	**2024**
	$	**$**	**$**	**$**
Employees benefits – other employees:				
- Wages and salaries	13,037,190	12,481,463	12,981,977	12,341,757
- Superannuation	1,422,988	1,335,952	1,417,411	1,321,571
- Leave and other entitlements	901,660	1,201,684	896,676	1,191,961
- Separation and redundancies	2,079	9,920	-	-
- Other employee expenses	281,893	315,853	278,012	314,965
Employees benefits – holders of office:				
- Wages and salaries	260,165	277,737	260,165	277,737
- Superannuation	36,604	33,324	36,604	33,324
- Leave and other entitlements	144,397	25,207	144,397	25,207
- Separation and redundancies	-	-	-	-
- Other employee expenses	-	-	-	-
- Fees/allowances for attending meeting and conferences	-	-	-	-
Conference and meeting expenses	50,445	46,486	50,445	46,486
Affiliation fees/ subscriptions paid:				
- Australian Chamber of Commerce and Industry	36,500	35,175	36,500	35,175
- Victorian Chamber of Commerce and Industry	(152)	1,282	(152)	1,282

Note 4: Key Management Personnel Compensation

Group and parent	Short-Term Benefits	Post-employment benefit Non-Cash Benefits	Superannuation	Total
	$	$	$	$
2025				
Total compensation	1,089,501	-	106,694	1,196,195
2024				
Total compensation	923,677	-	99,687	1,023,364

Note 5: Auditors Remuneration

	Group		Parent	
	2025	**2024**	**2025**	**2024**
	$	**$**	**$**	**$**
Remuneration of the auditor of the Group for:				
- Auditing or reviewing the financial report	28,300	27,900	28,300	27,900
- Other services	-	890	-	-
	28,300	28,790	28,300	27,900

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 6: Cash and Cash Equivalents

	Group		Parent	
	2025	2024	2025	2024
	$	$	$	$
Cash at bank and on hand	2,131,578	2,297,511	2,012,171	2,155,300
Short-term bank deposits	-	-	-	-
	2,131,578	2,297,511	2,012,171	2,155,300

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

		Group		Parent	
		2025	2024	2025	2024
		$	$	$	$
Cash and cash equivalents	20	2,131,578	2,297,511	2,012,171	2,155,300

Note 7: Trade and Other Receivables

	Note	Group		Parent	
		2025	2024 Restated	2025	2024 Restated
		$	$	$	$
Current					
Trade debtors		1,434,476	804,813	1,430,805	813,359
Less allowance for expected credit losses		(56,225)	(78,676)	(56,225)	(78,676)
Trade debtors, net		1,378,251	726,137	1,374,580	734,683
Other receivables		811,855	1,195,000	806,769	1,190,964
Loan to subsidiary company - Plumbing Staff Solutions Pty Ltd		-	-	50,000	50,000
Total Current Trade and Other Receivables	20	2,190,106	1,921,137	2,231,349	1,975,647

	Group	Parent
	2025	2025
	$	$
Balance at 1 June 2024	78,676	78,676
Provision for expected credit losses	34,020	34,020
Write-off	(56,471)	(56,471)
Balance at 30 June 2025	56,225	56,225

Collateral Pledged or Held as Security

No collateral has been pledged or held as security for any of the trade and other receivable balances.

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 7: Trade and Other Receivables (Cont'd)

Credit Risk

The Association has no significant concentration of credit risk with respect to any single counterparty or Association of counterparties other than those trade debtors specifically provided for and mentioned within Note 7. The main source of credit risk to the Association is considered to relate to the class of assets described as trade debtors.

The following table details the group and parent's trade debtors exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Association and the member or counterparty to the transaction. Trade debtors that are past due are assessed for impairment by ascertaining their willingness to pay and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Association.

The balances of trade debtors that remain within initial terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount	Past due and impaired	Past due but not impaired Days (overdue)			Within initial trade terms
			31–60	61–90	> 90	
Group	$	$	$	$	$	$
2025						
Trade receivables	1,434,476	56,225	256,628	34,547	421,025	666,051
Other receivables	811,855	-	-	-	-	811,855
Total	2,246,331	56,225	256,628	34,547	421,025	1,477,906
2024						
Restated						
Trade receivables	804,813	78,676	117,585	36,193	48,363	523,996
Other receivables	1,195,000	-	-	-	-	1,195,000
Total	1,999,813	78,676	117,585	36,193	48,363	1,718,996
Parent	$	$	$	$	$	$
2025						
Trade receivables	1,430,805	56,225	256,628	34,547	421,025	662,380
Other receivables	806,769	-	-	-	-	806,769
Total	2,237,574	56,225	256,628	34,547	421,025	1,469,149
2024						
Restated						
Trade receivables	813,359	78,676	117,585	36,193	48,363	532,542
Other receivables	1,190,964	-	-	-	-	1,190,964
Total	2,004,323	78,676	117,585	36,193	48,363	1,723,506

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 8: Other Assets

	Group		Parent	
	2025	**2024**	**2025**	**2024**
	$	**$**	**$**	**$**
Current				
Prepayments	274,204	274,180	271,654	274,180

Note 9: Property, Plant and Equipment

	Group		Parent	
	2025	**2024**	**2025**	**2024**
	$	**$**	**$**	**$**
Freehold land - at independent valuation 2024	516,056	516,056	516,056	516,056
	516,056	516,056	516,056	516,056
Buildings - at independent valuation 2024	1,883,944	1,883,944	1,883,944	1,883,944
Less accumulated amortisation	(37,679)	-	(37,679)	-
	1,846,265	1,883,944	1,846,265	1,883,944
Buildings improvements - at cost	205,938	205,938	205,938	205,938
Less accumulated depreciation	(150,582)	(142,901)	(150,582)	(142,901)
	55,356	63,037	55,356	63,037
Total buildings	1,901,621	1,946,981	1,901,621	1,946,981
Plant and equipment - at cost	1,139,349	1,083,834	1,139,349	1,083,834
Less accumulated depreciation	(746,254)	(616,416)	(746,254)	(616,416)
	393,095	467,418	393,095	467,418
Motor Vehicles - at cost	359,415	423,444	359,415	423,444
Less accumulated depreciation	(231,275)	(232,620)	(231,275)	(232,620)
	128,140	190,824	128,140	190,824
Total property, plant and equipment	2,938,912	3,121,279	2,938,912	3,121,279

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 9: Property, Plant and Equipment (Cont'd)

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment.

	Land	Buildings	Plant and Equipment	Motor Vehicles	Work In Progress	Total
	$	$	$	$	$	$
Group and parent						
Balance at 30 June 2023	578,242	1,774,432	457,984	240,044	16,500	3,067,202
Additions	-	2,500	82,767	17,728	-	102,995
Revaluation	(62,186)	216,162	-	-	-	153,976
Transfers	-	16,500	-	-	(16,500)	-
Transfers from Intangible Assets	-	-	57,182	-	-	57,182
Disposals	-	-	-	(7,059)	-	(7,059)
Depreciation expense	-	(62,613)	(130,515)	(59,889)	-	(253,017)
Balance at 30 June 2024	516,056	1,946,981	467,418	190,824	-	3,121,279
Additions	-	-	68,715	-	-	68,715
Revaluation	-	-	-	-	-	-
Disposals	-	-	(2,634)	(19,971)	-	(22,605)
Depreciation expense	-	(45,360)	(140,404)	(42,713)	-	(228,477)
Balance at 30 June 2025	516,056	1,901,621	393,095	128,140	-	2,938,912

An independent valuation of the Association's land and buildings was performed by Carl Tamos AAPI Certified Practising Valuer in 2024. The valuations, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transactions. The valuation was based on independent assessments.

Refer to Note 20 for the analysis of non-financial assets (land and buildings) measured at fair value, by fair value hierarchy.

Note 10: Right-of-use Asset

	Group		Parent	
	2025 $	2024 $	2025 $	2024 $
Property	275,605	275,605	275,605	275,605
Less accumulated depreciation	(91,869)	(57,418)	(91,869)	(57,418)
	183,736	218,187	183,736	218,187
Printers	58,920	58,920	58,920	58,920
Less accumulated depreciation	(56,956)	(45,172)	(56,956)	(45,172)
	1,964	13,748	1,964	13,748
Total right-of-use assets	185,700	231,935	185,700	231,935

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 10: Right-of-use Asset (cont'd)

Movements in Carrying Amounts

Movement in the carrying amounts for each class of right-of-use assets.

	Property	Printers	Total
	$	$	$
Group and parent			
Balance at the 30 June 2023	252,638	25,532	278,170
Depreciation expense	(34,451)	(11,784)	(46,235)
Balance at the 30 June 2024	218,187	13,748	231,935
Depreciation expense	(34,451)	(11,784)	(46,235)
Balance at the 30 June 2025	183,736	1,964	185,700

Note 11: Investments

	Group		Parent	
	2025	2024	2025	2024
	$	$	$	$
Investment in subsidiary company - Plumbing Staff Solutions Pty Ltd	-	-	60	60
Freehold land – at cost	2,863,460	2,863,460	2,863,460	2,863,460
Buildings – at cost	7,169,592	7,169,592	7,169,592	7,169,592
Less accumulated depreciation	(1,205,856)	(1,062,464)	(1,205,856)	(1,062,464)
	5,963,736	6,107,128	5,963,736	6,107,128
Work in progress – building	-	-	-	-
Total investment properties	8,827,196	8,970,588	8,827,196	8,970,588
Total investments	8,827,196	8,970,588	8,827,256	8,970,648

Movements in Carrying Amounts

Movement in the carrying amounts for each class of investment properties between the beginning and the end of the current financial year

	Freehold Land	Buildings	Work in progress	Total
	$	$	$	$
Group and parent				
Balance at the 30 June 2023	2,863,460	6,250,520	-	9,113,980
Depreciation expense	-	(143,392)	-	(143,392)
Balance at the 30 June 2024	2,863,460	6,107,128	-	8,970,588
Depreciation expense	-	(143,392)	-	(143,392)
Balance at the 30 June 2025	2,863,460	5,963,736	-	8,827,196

On 1 January 2020, a 50/50 joint operation was formed with CEPU (Plumbing Division) Education and Training Centre Ltd to develop and construct 7-11 Fullard Road, Narre Warren, Victoria with the asset constructed being recognised within the asset class above.

Notes to the Financial Statements
For the Year Ended 30 June 2025
Note 12: Financial Assets

	Note	Group 2025 $	Group 2024 $	Parent 2025 $	Parent 2024 $
Current					
Financial assets at amortised cost					
- deposits in financial institution	20	540,236	510,490	540,236	510,490
Non-current					
Financial assets designated at fair value through other comprehensive income					
- Australian fixed interest securities at fair value	20	4,350,115	3,980,015	4,350,115	3,980,015
		4,350,115	3,980,015	4,350,115	3,980,015

Note 13: Intangible Assets

	Group 2025 $	Group 2024 $	Parent 2025 $	Parent 2024 $
Website domain – at cost	26,807	26,362	26,807	26,362
Intellectual property	119,978	75,000	119,978	75,000
Less accumulated amortisation	(62,319)	(37,315)	(62,319)	(37,315)
	57,659	37,685	57,659	37,685
Total intangible assets	84,466	64,047	84,466	64,047

Website domains are recognised at cost of acquisition. They have an infinite life and are carried at cost less any impairment losses. The Executive Board has undertaken a review of the carrying value of the intangible assets at the end of the reporting period and noted that there are no impairment losses.

Movements in Carrying Amounts

Movement in the carrying amounts for each class of intangible assets between the beginning and the end of the current financial year

	Website domain $	Intellectual property $	Work in progress Software $	Total $
Group and parent				
Balance at the 30 June 2023	23,350	52,685	57,182	133,217
Additions	3,012	-	-	3,012
Transfer to Property, Plant and Equipment	-	-	(57,182)	(57,182)
Amortisation expense	-	(15,000)	-	(15,000)
Balance at the 30 June 2024	26,362	37,685	-	64,047

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 13: Intangible Assets (Continued)

Movements in Carrying Amounts (Continued)

Additions	445	44,978	-	45,423
Transfer to Property, Plant and Equipment	-		-	-
Amortisation expense	-	(25,004)	-	(25,004)
Balance at the 30 June 2025	26,807	57,659	-	84,466

Note 14: Trade and Other Payables

		Group		Parent	
	Note	2025 $	2024 $	2025 $	2024 $
Current					
Trade and other payables		1,062,582	1,098,957	1,047,211	1,073,512
Income received in advance		446,754	372,030	446,754	372,030
Funds held in trust		204,860	195,075	204,860	195,075
		1,714,196	1,666,062	1,698,825	1,640,617
Financial liabilities at amortised cost classified as trade and other payables					
Trade and other payables:		1,714,196	1,666,062	1,698,825	1,640,617
Less: Income received in advance		(446,754)	(372,030)	(446,754)	(372,030)
Financial liabilities as trade and other payables	20	1,267,442	1,294,032	1,252,071	1,268,587

NOTE 15: Lease Liabilities

	Group		Parent	
	2025 $	2024 $	2025 $	2024 $
Current				
Lease liabilities	12,534	18,283	12,534	18,283
Non-current				
Lease liabilities	263,229	275,764	263,229	275,764
Total Lease liabilities	275,763	294,047	275,763	294,047

Note 16: Provisions

	Group		Parent	
	2025 $	2024 $	2025 $	2024 $
Current				
Employee benefits	1,154,364	1,272,127	1,150,164	1,268,271
Non-current				
Employee benefits	78,934	56,850	78,934	56,850
Total employee benefits	1,233,298	1,328,977	1,229,098	1,325,121

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 16: Provisions (cont'd)

	Group		Parent	
	2025 **$**	**2024** **$**	**2025** **$**	**2024** **$**
Analysis of employee benefits				
Employee benefits – other employees:				
- Annual leave	701,936	704,125	699,881	702,047
- Long service leave	430,414	426,220	430,414	426,220
- Separations and redundancies	-	-	-	-
- Other – RDO's	100,948	119,479	98,803	117,701
Employee benefits – holders of office				
- Annual leave	-	34,768	-	34,768
- Long service leave	-	44,385	-	44,385
- Separations and redundancies	-	-	-	-
- Other	-	-	-	-
Total employee benefits	1,233,298	1,328,977	1,229,098	1,325,121

Note 17: Reserves

	Group		Parent	
	2025 **$**	**2024** **$**	**2025** **$**	**2024** **$**
Asset revaluation reserve	445,282	445,282	445,282	445,282
Financial asset reserve	(318,631)	(344,770)	(318,631)	(344,770)
Total reserves	126,651	100,512	126,651	100,512
Asset revaluation reserve				
Balance at beginning of financial year	445,282	291,306	445,282	291,306
Movement for the year	-	153,976	-	153,976
Balance at end of financial year	445,282	445,282	445,282	445,282

The financial assets reserve records revaluation increments and decrements (that do not represent impairment write-downs) that relate to property, plant and equipment.

Financial asset reserve

	Group		Parent	
	2025 **$**	**2024** **$**	**2025** **$**	**2024** **$**
Balance at beginning of financial year	(344,770)	(418,566)	(344,770)	(418,566)
Movement for the year	26,139	73,796	26,139	73,796
Balance at end of financial year	(318,631)	(344,770)	(318,631)	(344,770)

The financial assets reserve records revaluation increments and decrements (that do not represent impairment write-downs) that relate to financial assets that are classified as financial assets designated at fair value through other comprehensive income.

There were no compulsory levy/voluntary contribution fund balance as at the beginning or end of the financial year.

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 18: Notes to Statement of Cash Flows

(a) Reconciliation of cash flow from operations with profit/(loss) after income tax

	Group		Parent	
	2025	2024 Restated	2025	2024 Restated
	$	$	$	$
(Loss) / profit after income tax	191,021	(625,749)	188,278	(627,862)
Non-cash flows in profit:				
Depreciation and amortisation	443,108	457,644	443,108	457,644
(Gain)/loss on sale of plant and equipment	6,328	(12,941)	6,328	(12,941)
(Decrease)/increase in expected credit loss of trade and other receivables	(22,451)	34,288	(22,451)	34,288
Changes in assets and liabilities:				
(Increase) / decrease in trade and other receivables	(246,518)	(228,211)	(233,251)	(253,434)
(Increase) / decrease in other assets	(24)	(100,154)	2,526	(100,154)
(Decrease) / Increase in trade and other payables	48,134	(581,923)	58,208	(589,915)
Increase in provisions	(95,679)	180,775	(96,023)	177,379
Net cash (used in)/provided by operating activities	323,919	(876,271)	346,723	(914,995)

(b) Cash flow information

	Group		Parent	
	2025	2024	2025	2024
	$	$	$	$
Cash inflows – from controlled entity:				
Plumbing Staff Solutions Pty Ltd	-	-	16,501	13,200
Cash outflows – to controlled entity:				
Plumbing Staff Solutions Pty Ltd	-	-	-	-

Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 19: Related Party Transactions and Information About Subsidiaries

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

- Consultancy fees paid to Ken Gardner (Board Member) for $55,500 (2024: $73,500);
- reimbursement of expenses;
- payment of membership fees and provision of membership services on the same basis as other members;
- use of Group Training Scheme on a normal commercial basis; and
- provision of plumbing services on a normal commercial basis.

As at the end of the financial year, the Association has shareholdings, or is a member, in the following entities:

	Percentage Controlled	
Entity	**2025**	**2024**
	(%)	**(%)**
Australian Plumbing Industries Educational Foundation Holdings Pty Ltd	100%	100%
Master Plumbers Victoria Pty Ltd	100%	100%
Master Plumbers Insurance Brokers Pty Ltd	100%	100%
Australian Master Plumbers Pty Ltd	100%	100%
Master Plumbers and Mechanical Services Association of Victoria Limited	100%	100%
Plumbing Staff Solutions Pty Ltd *	100%	100%
Plumbing Industry Training Administration Pty Ltd	50%	50%
Plumbing Industry Training Limited	50%	50%

All entities listed above are incorporated in Australia.

Australian Plumbing Industries Educational Foundation Holdings Pty Ltd had transactions for the financial year which totalled $nil (2024: $nil) and held cash at bank of $504 (2024: $504) as at 30 June 2025.

* The assets, liabilities, income and expenses has been consolidated on a line-by-line basis in the consolidated financial statements of the group. Refer to Note 1(a).

Except for Plumbing Staff Solutions Pty Ltd, all other entities did not have any transactions during the financial year and had no assets or liabilities as at 30 June 2025.

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 20: Financial Risk Management

Financial Risk Management Policies

The Association's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and leases.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

		Group		Parent	
	Note	**2025**	**2024 Restated**	**2025**	**2024 Restated**
		$	**$**	**$**	**$**
Financial assets					
Cash and cash equivalents	6	2,131,578	2,297,511	2,012,171	2,155,300
Trade and other receivables	7	2,190,106	1,921,137	2,231,349	1,975,647
Financial assets designated at fair value through other comprehensive income:					
- shares in listed securities at fair value	12	4,350,115	3,980,015	4,350,115	3,980,015
Financial assets at amortised cost:					
- deposits in financial institution	12	540,236	510,490	540,236	510,490
		9,212,035	8,709,153	9,133,871	8,621,452
Financial liabilities					
Financial liabilities at amortised cost:					
- trade and other payables	14	1,267,442	1,294,032	1,252,071	1,268,587
- lease liabilities	15	275,763	294,047	275,763	294,047
		1,543,205	1,588,079	1,527,834	1,562,634

Financial Risk Management Policies

The Association's Honorary Treasurer is responsible for, among other issues, monitoring and managing financial risk exposures of the Association. The Honorary Treasurer monitors the Association's transactions and reviews the effectiveness of controls relating to credit risk, financial risk, and interest rate risk. Discussions on monitoring and managing financial risk exposures are held monthly and minuted by the Executive Board.

The Honorary Treasurer's overall risk management strategy seeks to ensure that the Association meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 20: Financial Risk Management (Cont'd)

Specific Financial Risk Exposures and Management

The main risks the Association is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk and equity price risk.

a. **Interest rate risk**
The Association is not exposed to any significant interest rate risk since cash balances are maintained at variable rates and borrowings of the Association are not considered significant.

b. **Liquidity risk**
Liquidity risk arises from the possibility that the Association might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Association manages this risk through the following mechanisms:

a) preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
b) only investing surplus cash with major financial institutions; and
c) proactively monitoring the recovery of unpaid subscriptions.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle finance leases reflect the earliest contractual settlement dates.

Financial liability and financial assets maturity analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
		Restated		**Restated**		**Restated**		**Restated**
Group	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Financial liabilities due for payment								
Trade and other payables (excluding employee benefits and income received in advance)	1,267,442	1,294,032	-	-	-	-	1,267,442	1,294,032
Lease liabilities	26,955	33,550	271,436	223,046	25,441	100,787	323,832	357,383
Total expected outflows	1,294,397	1,327,582	271,436	223,046	25,441	100,787	1,591,274	1,651,415
Financial assets — cash flows realisable								
Cash and cash equivalents	2,131,578	2,297,511	-	-	-	-	2,131,578	2,297,511
Trade and other receivables	2,190,106	1,921,137	-	-	-	-	2,190,106	1,921,137
Financial assets designated at fair value through other comprehensive income	-	-	4,350,115	3,980,015	-	-	4,350,115	3,980,015
Financial assets at amortised cost	540,236	510,490	-	-	-	-	540,236	510,490
Total anticipated inflows	4,861,920	4,729,138	4,350,115	3,980,015	-	-	9,212,035	8,709,153

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Notes to the Financial Statements
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Note 20: Financial Risk Management (Cont'd)

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2025	2024 Restated	2025	2024 Restated	2025	2024 Restated	2025	2024 Restated
Parent	$	$	$	$	$	$	$	$
Financial liabilities due for payment								
Trade and other payables (excluding employee benefits and income received in advance)	1,252,071	1,268,587	-	-	-	-	1,252,071	1,268,587
Lease liabilities	26,955	33,550	271,436	223,046	25,441	100,787	323,832	357,383
Total expected outflows	1,279,026	1,302,137	271,436	223,046	25,441	100,787	1,575,903	1,625,970
Financial assets — cash flows realisable								
Cash and cash equivalents	2,012,171	2,155,300	-	-	-	-	2,012,171	2,155,300
Trade and other receivables	2,231,349	1,975,647	-	-	-	-	2,231,349	1,975,647
Financial assets designated at fair value through other comprehensive income	-	-	4,350,115	3,980,015	-	-	4,350,115	3,980,015
Financial assets at amortised cost	540,236	510,490	-	-	-	-	540,236	510,490
Total anticipated inflows	4,783,756	4,641,437	4,350,115	3,980,015	-	-	9,133,871	8,621,452

Financial assets pledged as collateral
No financial assets have been pledged as security for any financial liability.

c. **Foreign exchange risk**
The Association is not exposed to fluctuations in foreign currencies.

d. **Credit risk**
The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 7.

The Association has no significant concentration of credit risk exposure to any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 7.

Credit risk related to balances with banks and other financial institutions is managed by the finance committee in accordance with approved Board policy. Surplus funds are only invested with counterparties with a Standard & Poor's rating of at least A+. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard & Poor's counterparty credit ratings.

Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 20: Financial Risk Management (Cont'd)

	Group		Parent	
	2025	**2024**	**2025**	**2024**
	$	**$**	**$**	**$**
Cash and cash equivalents				
- A+ rated	2,131,578	2,297,511	2,012,171	2,155,300
	2,131,578	2,297,511	2,012,171	2,155,300

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise cleared as being financially sound.

e. **Price risk**

The Association is not exposed to any material commodity price risk.

Sensitivity analysis

The following table illustrates sensitivities to the Association's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

Change in profit				
+/- 2% in interest rates	+/- 53,436	+/- 56,160	+/- 51,048	+/- 53,316
Change in equity				
+/- 2% in interest rates	+/- 53,436	+/- 56,160	+/- 51,048	+/- 53,316

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

The following table illustrates sensitivities to the Association's exposures to equity price risks. The table indicates the impact on how other comprehensive income and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

Change in other comprehensive income				
+/- 5% in equity price	+/- 217,506	+/- 199,001	+/- 217,506	+/- 199,001
Change in equity				
+/- 5% in equity price	+/- 217,506	+/- 199,001	+/- 217,506	+/- 199,001

The above equity price sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Areas of judgment and the assumptions used have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded.

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 20: Financial Risk Management (Cont'd)

		2025		2024 Restated	
		Net Carrying Value	Net Fair Value	Net Carrying Value	Net Fair Value
Group	**Footnote**	**$**	**$**	**$**	**$**
Financial assets					
Cash and cash equivalents	(i)	2,131,578	2,131,578	2,297,511	2,297,511
Trade and other receivables	(i)	2,190,106	2,190,106	1,921,137	1,921,137
Financial assets — fair value through other comprehensive income	(ii)	4,350,115	4,350,115	3,980,015	3,980,015
Financial assets — amortised cost	(iii)	540,236	540,236	510,490	510,490
Total financial assets		9,212,035	9,212,035	8,709,153	8,709,153
Financial liabilities					
Trade and other payables	(i)	1,267,442	1,267,442	1,294,032	1,294,032
Lease liabilities	(iv)	275,763	275,763	294,047	294,047
Total financial liabilities		1,543,205	1,543,205	1,588,079	1,588,079
Parent					
Financial assets					
Financial assets					
Cash and cash equivalents	(i)	2,012,171	2,012,171	2,155,300	2,155,300
Trade and other receivables	(i)	2,231,349	2,231,349	1,975,647	1,975,647
Financial assets — fair value through other comprehensive income	(ii)	4,350,115	4,350,115	3,980,015	3,980,015
Financial assets — amortised cost	(iii)	540,236	540,236	510,490	510,490
Total financial assets		9,133,871	9,133,871	8,621,452	8,621,452
Financial liabilities					
Trade and other payables	(i)	1,252,071	1,252,071	1,268,587	1,268,587
Lease liabilities	(iv)	275,763	275,763	294,047	294,047
Total financial liabilities		1,527,834	1,527,834	1,562,634	1,562,634

The fair values disclosed in the above table have been determined based on the following methodologies:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for relating to annual leave which is not considered a financial instrument.

(ii) For listed financial assets designated at fair value through other comprehensive income, closing quoted bid prices at reporting date are used.

(iii) Fair values of amortised cost investments are based on quoted market prices at the end of the reporting period.

(iv) Lease liabilities are measured at the commencement date based on payments for the right to use the underlying asset during the lease term that are not paid at the commencement date

Master Plumbers' & Mechanical Services Association of Australia

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Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 20: Financial Risk Management (Cont'd)

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The following tables provide an analysis of financial instrument assets that are measured fair value, by fair value hierarchy:

Group and parent

2025	**Level 1** **$**	**Level 2** **$**	**Level 3** **$**	**Total** **$**
Financial assets:				
Fair value through other comprehensive income	4,350,115	-	-	4,350,115
Amortised cost	540,236	-	-	540,236
	4,890,351			4,890,351
2024				
Financial assets:				
Fair value through other comprehensive income	3,980,015	-	-	3,980,015
Amortised cost	510,490	-	-	510,490
	4,490,505	-	-	4,490,505

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets have been based on the closing quoted bid prices at the end of the reporting period, excluding transaction costs.

Non-financial Assets Fair Value Hierarchy

The following tables provide an analysis of non-financial assets that are measured at fair value, by fair value hierarchy:

Group and parent

2025	**Level 1** **$**	**Level 2** **$**	**Level 3** **$**	**Total** **$**
Non-financial assets:				
Land	-	516,056	-	516,056
Buildings	-	1,883,944	-	1,883,944
	-	2,400,000	-	2,400,000
2024				
Restated				
Non-financial assets:				
Land	-	516,056	-	516,056
Buildings	-	1,883,944	-	1,883,944
	-	2,400,000	-	2,400,000

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Note 20: Financial Risk Management (Cont'd)

Non-financial Assets Fair Value Hierarchy (Cont'd)

There have been no transfers between levels during the reporting period (2024: no transfer).

The fair value of land and buildings is determined at least every three years based on valuations by an independent valuer. At the end of each intervening period, the directors review the independent valuation and, when appropriate, update the fair value measurement to reflect current market conditions using a range of valuation techniques, including recent observable market data and discounted cash flow methodologies.

NOTE 21: Capital Management

The Board members control the capital of the Association in order to maintain a good debt-to-equity ratio and to ensure that the Association can fund its operations and continue as a going concern. The Association's debt and capital includes financial liabilities, supported by financial assets. There are no externally imposed capital requirements.

The Board members effectively manage the Association's capital by assessing the Association's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels.

There have been no changes in the strategy adopted by management to control the capital of the Association since the prior year. This strategy is to ensure that there is sufficient cash to meet trade and other payables and borrowings.

	Group		Parent	
	2025	2024 Restated	2025	2024 Restated
	$	$	$	$
Trade and other payables	(1,267,442)	(1,294,032)	(1,252,071)	(1,268,587)
Less cash and cash equivalents	2,131,578	2,297,511	2,012,171	2,155,300
Net (debt)/equity	864,136	1,003,479	760,100	886,713
Total equity	18,299,256	18,082,096	18,238,173	18,023,756
Total capital	19,163,392	19,085,575	18,998,273	18,910,469

NOTE 22: COMMITMENTS

Operating lease commitments—as lessor

Future minimum rentals receivable under non-cancellable operating leases as at 30 June 2025 are:

	Group		Parent	
	2025	2024 Restated	2025	2024 Restated
	$	$	$	$
Within one year	16,477	40,298	16,477	40,298
After one year but not more than five years	24,828	-	24,828	-
	41,305	40,298	41,305	40,298

The property lease is a non-cancellable lease with a 2.5-year term, with rent payable monthly in advance.

Notes to the Financial Statements
For the Year Ended 30 June 2025

Note 23: Contingent Liabilities and Contingent Assets

There were no contingent liabilities or contingent assets as at 30 June 2025 (2024: $nil).

Note 24: Events Subsequent to Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may affect the ongoing structure and financial activities of the Association.

Note 25: Association Details

The registered office and principal place of business of the Association is:

Unit 15, 306 Albert Street

Brunswick VIC 3056

AUSTRALIA

Note 26: Section 272 *Fair Work (Registered Organisations) Act 2009*

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of sub-sections (1) to (3), of Section 272, which reads as follows:

Information to be provided to members or General Manager:

(1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application made under subsection (1)

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Executive Board's Statement

On 21st October 2025, the Executive Board of Master Plumbers' & Mechanical Services Association of Australia ("reporting unit") passed the following resolution in relation to the general purpose financial report (GPFR) for the financial year ended 30 June 2025.

The Executive Board declares that in its opinion:

1. the financial statements and notes comply with the Australian Accounting Standards;
2. the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
4. there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the GPFR relates and since the end of the year:
   i) meetings of the Executive Board were held in accordance with the rules of the organisation; and
   ii) the financial affairs of the reporting unit have been managed in accordance with rules of the organisation; and
   iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
   iv) no information has been sought in any request by a member of the reporting unit or the General Manager duly made under section 272 of the RO Act; and
   v) no orders have been made for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act;

This declaration is made in accordance with a resolution of the Executive Board.

For and on behalf of the Executive Board by:

Signed by:

[redacted]

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Norm Anderson

President

Dated in Melbourne on this 21st day of October 2025.

Master Plumbers' & Mechanical Services Association of Australia

ABN 56 296 473 997

Officer Declaration Statement

I, Norm Anderson, being the President of the Executive Board of Master Plumbers' & Mechanical Services Association of Australia, declare that the following activities did not occur during the reporting period ending 30 June 2025.

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern
- agree to provide financial support to another reporting unit to ensure they continue as a going concern
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees or any other revenue amount from another reporting unit
- receive revenue via compulsory levies
- recognise income from volunteer services
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees or any other expense to another reporting unit
- pay compulsory levies
- pay a grant that was $1,000 or less
- pay a grant that exceeded $1,000
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a receivable with other reporting unit(s)
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by:
[redacted]
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Norm Anderson
President

Dated in Melbourne on this 21st day of October 2025.

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Independent Auditor's Report