



16 December 2025

Grant Hinchcliffe
President
Master Grocers Australia Limited
Sent via email: admin@mga.asn.au
CC: elliott31@optusnet.com.au

Dear Grant Hinchcliffe

Master Grocers Australia Limited
Financial Report for the year ended 30 June 2025 – (FR2025/31)

I acknowledge receipt of the financial report for the year ended 30 June 2025 for the Master Grocers Australia Limited (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 4 December 2025.

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

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under sections 253, 265, 266 and 268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under section 268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that next year's financial report may be subject to an advanced compliance review.

Reporting Requirements

The Commission's 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 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

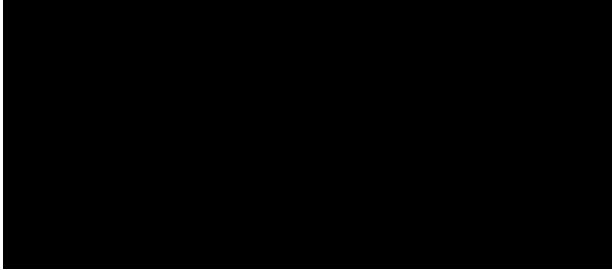
Fair Work Commission

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

I, Grant Hinchcliffe, being the President of Masters Grocers Australia Limited, certify:

- * that the documents lodged herewith are copies of the full report for Master Grocers Australia Limited, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- * that the full report was provided to the members of Master Grocers Australia Limited on 29th October 2025; and
- * that the full report was presented to a general meeting of members of Master Grocers Australia Limited on 21st November 2025 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Dated this 27 day of Nov 2025



MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

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MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
SUBSECTION 255(2A) EXPENDITURE REPORT
FOR THE YEAR ENDED 30 JUNE 2025

The Committee of Management presents the consolidated expenditure report for Master Grocers Australia Limited as required under subsection 255(2A) for the year ended 30 June 2025.

Categories Of Expenditure	2025	2024
	\$	\$
Remuneration and other employment related costs and expenses - employees	2,200,332	1,764,726
Advertising	27,322	32,893
Operating Costs	571,196	650,700
Donations to political parties	-	-
Legal Costs	45,012	30,259

For the Committee of Management: _____

Title of Office held: President

DATED this 22nd day of October 2025

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2025

The Committee of Management presents its report on the consolidated entity consisting of Master Grocers Australia Limited and the entity it controlled at the end of and during the year ended 30 June 2025. Throughout the report, the consolidated entity is referred to as the group.

MEMBERSHIP OF THE COMMITTEE OF MANAGEMENT

The membership of the Committee of Management during the year ended 30th June 2025 was as follows:

Name	Current Position	Period on the Committee
ANILE, Rosario (Ross)	Director	1 July 2024 to 30 June 2025
HARPER, Donald Jeffery (Jeff)	Director	1 July 2024 to 30 June 2025
HINCHCLIFFE, Grant John	President	1 July 2024 to 30 June 2025
PAREKH Ripple Himanshu	Director	1 July 2024 to 30 June 2025
SLAUGHTER, Terry	Vice President	1 July 2024 to 30 June 2025
SMITH, Deborah May (Debbie)	Director	1 July 2024 to 30 June 2025
SPYRAKIS, Dimitrios (Dimitri)	Director	1 July 2024 to 30 June 2025
WYMER, Lincoln George	Director	1 July 2024 to 30 June 2025
ZUCCO, Salvatore (Sam)	Director	21 August 2024 to 30 June 2025

REVIEW OF OPERATIONS

Principal Activities

Trading as MGA Independent Businesses Australia, the group is a national industry employer association which is dedicated to the business well being of its members. The group provides independent retail grocery, liquor, timber and hardware stores with services and support in the following major areas and there was no significant change in the nature of those activities during the year:

Employment and Industrial Law Assistance, including:

- Fair Work Commission or court claims
- Compliance with engagement, requests and actions from government regulators and agencies
- Termination of employment
- Workplace health and safety/injury management
- Equal opportunity/discrimination
- Management of underperformance
- Management of poor behaviour/conduct
- Interpretation of awards and enterprise agreements, including advice re wages and entitlements
- Policies and procedures
- Contracts of employment
- Industrial disputes

Advocacy - representing member's views at all levels of government

Accredited training - state specific food safety and responsible service of alcohol training, timber knowledge training and tobacco compliance

Staying informed - monthly "checkout" newsletters plus regular e-alerts and magazines containing the latest industry news

Member benefits - providing programs and referral pathways to third-party solution providers to support members with the cost of doing business and assist with compliance and regulatory requirements.

Networking - facilitating opportunities for members to connect and share insights through industry events, committees, roundtables and town hall discussions.

There was no significant change in the nature of the group's activities.

RESULTS OF ACTIVITIES

The group reported a consolidated loss from ordinary activities amounting to \$510,590 (2024 profit:\$231,334) for the year ended 30 June 2025.

The results were impacted by various challenges associated with the economic climate in which the group and its members is operating, including increases in the costs of running a business, the impact of illicit tobacco and the rise of violent crime against our member stores.

As a result, it was recognised that the group needed to undergo a rigorous strategic planning process and this was completed in the second half of the year. The resulting organisational restructure and operating plan have been designed to better align resources with strategic priorities, drive membership and revenue growth and increase operational efficiency to further strengthen the group's financial stability and ensure the group can continue to deliver excellent member support for many years to come.

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2025

NUMBER OF MEMBERS

As at year end there were 2,042 members and 85 associate members.

NUMBER OF EMPLOYEES

As at year end, the total number of employees was equivalent to 10 full time employees.

SIGNIFICANT CHANGES TO FINANCIAL AFFAIRS

There were no significant changes to the financial affairs of the group during the 2025 financial year.

RIGHT OF MEMBERS TO RESIGN

A member may resign from membership by written notice addressed and delivered to the secretary of Master Grocers Australia Limited.

For the Committee of Management

Title of Office held: President

DATED this 22nd day of October 2025

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

On the 22nd of October 2025, the Committee of Management of Master Grocers Australia Limited passed the following resolution in relation to the general purpose financial report (GPFR) for the financial year ended 30th June 2025:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the consolidated financial statements and notes comply with the Australian Accounting Standards;
- (b) the consolidated financial statements and notes comply with any other requirements imposed by the Reporting Guidelines and Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (c) the consolidated 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;
- (d) 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;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where 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, that information has been provided to the member or the General Manager; and
 - (v) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

For the Committee of Management:

Title of Office held: President

DATED this 22nd day of October 2025

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2025	2024
		\$	\$
Revenue from contracts with customers	3		
Membership subscriptions		1,546,995	1,638,261
Corporate sponsorship		305,728	404,167
Other sales of goods or services		162,167	143,407
Total revenue from contracts with customers		<u>2,014,890</u>	<u>2,185,835</u>
Income for furthering objectives	3		
Grants and donations	3A	-	-
Total income from furthering objectives		<u>-</u>	<u>-</u>
Other income			
Net gain from sale of assets	3B	-	-
Gain/(Loss) on financial assets at fair value through profit or loss	3C	124,529	296,507
Revenue from recovery of wages activity		-	-
Investment income	3D	142,085	93,705
Rental income	3E	51,768	51,768
Other income	3F	-	1,520
Total other income		<u>318,382</u>	<u>443,500</u>
Total income		<u>2,333,272</u>	<u>2,629,335</u>
Expenses			
Employee expenses	4A	(2,200,332)	(1,764,726)
Affiliation fees	4B	(16,800)	(8,800)
Administration expenses	4C	(470,330)	(499,267)
Audit fees	19	(8,250)	(8,750)
Campaign and project expenses	4D	(26,773)	(41,937)
Depreciation and amortisation	4F	(45,309)	(99,757)
Finance costs	4G	-	(77)
Grants or donations	4E	-	-
Legal costs	4J	(45,012)	(30,259)
Writedown and impairment of financial assets	4H	-	-
Net losses from disposal of assets	4I	-	-
Other expenses	4K	(31,056)	(25,005)
		<u>(2,843,862)</u>	<u>(2,478,578)</u>
Surplus (deficit) before tax		<u>(510,590)</u>	<u>150,757</u>
Income tax expense	6	-	-
Surplus (deficit) for the year		(510,590)	150,757
Other comprehensive income			
Item that will not be subsequently reclassified to profit or loss			
Gain on revaluation of properties		-	129,842
Total comprehensive income (loss) for the year attributable to members		(510,590)	280,599

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2025	2024
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	7	271,068	327,401
Trade and other receivables	8	180,447	106,873
Financial assets	10	2,880,702	3,290,602
Other current assets	9	145,916	115,062
Total current assets		<u>3,478,133</u>	<u>3,839,938</u>
NON CURRENT ASSETS			
Investment property	11	950,000	950,000
Intangible assets	12	51,297	65,762
Property, plant and equipment	13	2,018,561	2,043,640
Right-of-use assets	14	-	-
Financial assets	10	-	-
Total non-current assets		<u>3,019,858</u>	<u>3,059,402</u>
TOTAL ASSETS		<u>6,497,992</u>	<u>6,899,341</u>
CURRENT LIABILITIES			
Trade and other payables	15	262,253	156,489
Lease liability	14	-	-
Employee provisions	16	92,980	79,889
Contract liabilities	8	198,124	215,655
Total current liabilities		<u>553,357</u>	<u>452,033</u>
NON CURRENT LIABILITIES			
Lease liability	14	-	-
Employee provisions	16	15,694	7,777
Total non current liabilities		<u>15,694</u>	<u>7,777</u>
TOTAL LIABILITIES		<u>569,051</u>	<u>459,810</u>
NET ASSETS		<u>5,928,940</u>	<u>6,439,530</u>
Represented by:			
MEMBERS' EQUITY			
Revaluation Reserves		1,733,134	1,733,135
Retained earnings		4,195,806	4,706,395
TOTAL MEMBERS' EQUITY		<u>5,928,940</u>	<u>6,439,530</u>

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Revaluation Reserves	Retained Earnings	Total
	\$	\$	\$
Balance at 1st July 2023	1,603,292	4,555,638	6,158,930
Adjustment for adoption of new accounting standards	-	-	-
Surplus (deficit) for the year	-	150,757	150,757
Other comprehensive income			
Gain on revaluation of properties	129,842	-	129,842
	<hr/>	<hr/>	<hr/>
	129,842	150,757	280,599
Balance at 30th June 2024	<hr/>	<hr/>	<hr/>
	1,733,134	4,706,395	6,439,530
	Revaluation Reserves	Retained Earnings	Total
	\$	\$	\$
Balance at 1st July 2024	1,733,134	4,706,396	6,439,530
Adjustment for adoption of new accounting standards	-	-	-
Surplus (deficit) for the year	-	(510,590)	(510,590)
Other comprehensive income			
Gain on revaluation of properties	-	-	-
	<hr/>	<hr/>	<hr/>
	-	(510,590)	(510,590)
Balance at 30th June 2025	<hr/>	<hr/>	<hr/>
	1,733,134	4,195,806	5,928,940

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	2025	2024
	NOTE	\$
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from operations (GST inclusive)	2,098,548	2,435,928
Government grants received	-	-
Dividend & trust income received	90,872	66,468
Interest received	9,039	35,586
Rents received (GST inclusive)	56,945	56,945
Sundry receipts	-	-
Short term lease payments	-	-
Payments to suppliers and employees	(2,840,401)	(2,692,166)
Net cash provided by (used in) operating activities	17A	(584,997)
		(97,239)
CASH FLOW FROM INVESTMENT ACTIVITIES		
Proceeds from disposal of investments	724,584	436,562
Proceeds from sale of plant & equipment	-	-
Purchase of plant and equipment	(5,765)	(2,199)
Purchase of intangibles	-	(5,340)
Purchase of investments	(190,155)	(1,036,217)
Return of term deposit	-	500,000
Investment and loans to joint venture	-	-
Net cash provided by (used in) investment activities	528,664	(107,194)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of lease liability	-	(3,560)
Net cash provided by (used in) financing activities	-	(3,560)
NET INCREASE / (DECREASE) IN CASH HELD	(56,333)	(207,993)
CASH AS AT START OF FINANCIAL YEAR	327,401	535,394
CASH AS AT END OF FINANCIAL YEAR	7	271,068
		327,401

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

NOTE 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The consolidated 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 Organisations) Act 2009*. For the purpose of preparing the general purpose financial statements, Master Grocers Australia Limited ("the Company") is a not for profit entity and its controlled entity is a 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 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.

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

The group has made the following judgements and estimates in applying the group's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

Impairment

Accounting standards require management to assess, at each reporting period, whether there are any indicators of impairment in relation to the carrying amount of its assets. Where an impairment indicator is identified, the recoverable amount of the asset must be determined and compared to the carrying amount.

Judgement is applied by management in assessing whether there are any impairment indicators and, where required, in determining the recoverable amount.

Provisions

A provision is recognised for items where the group has a present obligation arising from a past event. It is probable that an outflow of economic resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. The provision is measured as the best estimate of the expenditure required to settle the present obligation. Management applies judgement in assessing whether a particular item satisfies the above criteria and in determining the best estimate.

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1.4 New Australian Accounting Standards

Adoption of New Accounting Standard requirements

The accounting policies adopted are consistent with those of the previous financial year except for the following amendments to accounting standards, which have been adopted for the first time this financial year:

AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current

This Standard amends AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the Statement of Financial Position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period.

The group does not expect the adoption of AASB 2020-1 to have any financial impact on its financial statements.

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

Future Australian Accounting Standards Requirements

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 future financial impact on the group include:

AASB 18 Presentation and Disclosure in Financial Statements for not-for-profit and superannuation entities

This Standard has been issued to improve how entities communicate in their financial statements, with a particular focus on information about financial performance in the statement of profit or loss.

The key presentation and disclosure requirements established by AASB 18 are:

- The presentation of newly defined subtotals in the statement of profit or loss
- The disclosure of management-defined performance measures (MPM)
- Enhanced requirements for grouping information (i.e. Aggregation and disaggregation)

AASB 18 will replace AASB 101 Presentation of Financial Statements.

This Standard applies to annual reporting periods beginning on or after 1 January 2028 for NFP entities. These amendments are applied retrospectively.

The adoption of this amendment is not expected to have a material impact on the presentation and disclosure of items within the statement of profit or loss.

AASB 2024-2 Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments

This amends AASB 7 and AASB 9 Financial Instruments to:

- Clarify that a financial liability is derecognised on the 'settlement date', i.e. when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition.
- Introduce an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before the settlement date if certain conditions are met.
- For the purpose of classifying a financial asset, clarify how to assess contractual cash flow characteristics that include environmental, social and governance (ESG)-linked features and other similar contingent features.
- Clarify how non-recourse features and contractually linked instruments are assessed for the purpose of applying the SPPI test when determining the measurement basis of financial assets.
- Require additional disclosures in AASB 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

This Standard applies to annual reporting periods beginning on or after 1 January 2026. The group does not expect the adoption of this amendment to have a material impact on its financial statements.

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1.5 Principles of consolidation

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity where the group 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date when control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

Any excess of the cost of acquisition over the share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

1.6 Acquisition of assets and or liabilities that do not constitute a business combination

The group did not 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 the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act⁷.

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1.7 Revenue

The group enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, corporate sponsorships, training and industrial relations services, commission 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 group has a contract with a customer, it recognises revenue when or as it transfers control of goods or services to the customer. The group 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.

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 group.

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

For member subscriptions paid annually in advance, the group 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 group at their standalone selling price, the group accounts for those sales as a separate contract with a customer.

Corporate sponsorships

Sponsorship revenue is recognised based on passage of time over the sponsorship period in accordance with the terms and conditions of the sponsorship contracts.

Chargeable services and training income

Chargeable services and training income is brought to account when the service is provided.

Grants and donations

The timing of grant recognition will depend on whether there is any performance obligations or other liability. Government grants are not recognised until there is reasonable assurance that the group will comply with the conditions attaching to them and that the grant will be received.

Government grants received by the group to enable it to further its objectives are recognised as income when the consideration is received or eligibility requirements are met and the group has the right to receive it.

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of comprehensive income when the asset is derecognised.

Interest income

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

Rental income

Leases in which the group 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. Contingent rents are recognised as revenue in the period in which they are earned.

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1.8 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. The group recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

1.9 Leases

The group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Leases as a lessee

The group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The reporting unit 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 group 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 group 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 group 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 reporting unit and payments of penalties for terminating the lease, if the lease term reflects the reporting unit exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the group uses the 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 or a change in the lease payments.

Short-term leases and leases of low-value assets

The group's 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 reporting unit 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.

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1.10 Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.11 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents include cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts, if any, are shown within short-term borrowings in current liabilities on the statement of financial position.

1.12 Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument.

1.13 Financial assets

Contract assets and receivables

A contract asset is recognised when the group's right to consideration in exchange for goods or services that has transferred to the customer when that right is conditioned on the group's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income ("OCI"), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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1.13 Financial assets (cont'd)

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

Financial assets at fair value through profit or loss (including designated)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the Statement of Financial Position at fair value with net changes in fair value recognised in profit or loss.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement, and either:
 - a) The group has transferred substantially all the risks and rewards of the asset, or
 - b) The group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

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1.13 Financial assets (cont'd)

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

Expected credit losses

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

(i) Trade receivables

For trade receivables that do not have a significant financing component, the group applies a simplified approach in calculating expected credit losses (ECLs).

Therefore, the group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(ii) Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the group recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

(1) Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).

(2) Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the group may also consider a financial asset to be in default when internal or external information indicates that the group is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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1.14 Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The group's financial liabilities include trade and other payables.

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

1.15 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.16 Property, Plant and Equipment

Asset Recognition Threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Revaluations - Land and Buildings

Following initial recognition at cost, properties are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using either the diminishing value or straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2025	2024
Property and improvements	47 years	47 years
Plant and equipment	3 to 25 years	3 to 25 years

As no finite useful life for land can be determined, related carrying amounts are not depreciated.

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1.16 Property, Plant and Equipment (cont'd)

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

1.17 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

1.18 Intangible assets

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The useful life of the intangible assets are:

	2025	2024
Intangible assets	5 years	5 years

No amortisation is provided for software assets under development until ready for use.

Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit and loss when the asset is derecognised.

1.19 Impairment for non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. 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 group was deprived of the asset, its value in use is taken to be its depreciated replacement cost.

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1.20 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

1.21 Current versus non-current classification

The group presents assets and liabilities in the Statement of Financial Position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

1.22 Taxation

Master Grocers Australia Limited is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has an obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST). Controlled entity, Master Grocers Legal Pty Ltd is not exempt from income tax.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributed to temporary differences and to unused tax losses. Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.23 Fair value measurement

The group measures financial instruments, such as financial assets at fair value through the profit and loss, and non-financial assets such as land and buildings and investment property, at fair value at each balance date. The fair value measurement of financial instruments are disclosed in Note 24.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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1.23 Fair value measurement (cont'd)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, The group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.24 Going concern

The group is not reliant on the agreed financial support of another entity to continue on a going concern basis.

NOTE 2 Events after the reporting period

There were no events that occurred after 30 June 2025 and/or prior to the signing of the financial statements that have affected, or may significantly affect, the operations of the group, the results of those operations, or the state of affairs of the group in subsequent financial periods.

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2025	2024
\$	\$

NOTE 3 REVENUE AND INCOME

Disaggregation of revenue from contracts with customers

A disaggregation of the revenue by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of revenue by type of customer.

Type of customer

Members	1,546,995	1,648,305
Government	-	-
Other parties	<u>467,895</u>	<u>537,530</u>
Total revenue from contracts with customers	<u>2,014,890</u>	<u>2,185,835</u>

Disaggregation of income for furthering activities

A disaggregation of the reporting unit's income by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of income by funding source:

Income funding sources

Members	-	-
Government	-	-
Other parties	<u>-</u>	<u>-</u>
Total revenue for furthering activities	<u>-</u>	<u>-</u>

NOTE 3A Grants and /or donations

Grants	-	-
Donations	<u>-</u>	<u>-</u>
Total grants and donations	<u>-</u>	<u>-</u>

NOTE 3B Net gains from disposal of assets

Plant and equipment	-	-
Other	<u>-</u>	<u>-</u>
Total net gains from disposal of assets	<u>-</u>	<u>-</u>

NOTE 3C Gain (loss) on financial assets at fair value through profit or loss

Managed investment portfolio	<u>124,529</u>	<u>296,507</u>
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NOTE 3D Investment income

Interest	9,039	27,237
Trust distributions	-	-
Dividends	<u>133,046</u>	<u>66,468</u>
Total investment income	<u>142,085</u>	<u>93,705</u>

NOTE 3E Rental income

Properties	<u>51,768</u>	<u>51,768</u>
Total rental income	<u>51,768</u>	<u>51,768</u>

NOTE 3F Other income

Payroll tax waiver refund	-	-
Fair value gain on investment property	-	-
Others	<u>-</u>	<u>1,520</u>
Total other income	<u>-</u>	<u>1,520</u>

NOTE 4 EXPENSES

NOTE 4A Employee expenses

Holders of Office:		
- Directors fees	178,169	104,000
- Superannuation	<u>20,489</u>	<u>11,440</u>
- Separation and redundancies	-	-
- Transfers to provisions for annual leave	-	<u>(24,986)</u>
- Transfers to provisions for long service leave	-	<u>(8,530)</u>
- Other employee expenses	-	-
	<u>198,658</u>	<u>81,924</u>
Employees other than Holders of Office:		
- Wages and salaries	1,572,596	1,413,313
- Superannuation	<u>180,473</u>	<u>151,064</u>
- Separation and redundancies	<u>127,975</u>	<u>58,324</u>
- Transfers to provisions for annual leave	<u>43,617</u>	<u>686</u>
- Transfers to provisions for long service leave	<u>6,812</u>	<u>1,753</u>
- Other employee expenses	<u>70,201</u>	<u>57,662</u>
	<u>2,001,674</u>	<u>1,682,802</u>
Total employee expenses	<u>2,200,332</u>	<u>1,764,726</u>

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	2025	2024
	\$	\$
NOTE 4B Affiliation fees		
Political parties	8,000	-
Independent Payments Forum Australia Pty Ltd	8,800	8,800
Council of Small Business Association	<u>16,800</u>	<u>8,800</u>
NOTE 4C Administration expenses		
Consideration to employers for payroll deductions	-	-
Fees - meeting and conference	-	-
Meeting and conference expenses	-	75,207
Promotion expenses	27,322	32,893
Accounting fees	650	-
Allowance for expected credit loss	-	(7,343)
Contractors/consultants	16,113	2,500
Compulsory levies	-	-
Brand management	570	4,479
Human resource costs	89,617	110,608
Information technology	83,116	49,277
Insurance	17,233	16,103
Occupancy	41,051	65,299
Office services and supplies	53,158	42,239
Travel and accommodation	117,319	86,292
Venue hire and catering	<u>24,181</u>	<u>21,713</u>
	<u>470,330</u>	<u>499,267</u>
Operating lease rentals:		
Minimum lease payments	<u>470,330</u>	<u>499,267</u>
NOTE 4D Campaign and project expenses		
Magazine costs	20,194	20,655
Training costs	1,129	12,081
Timber - Wood advisory	-	2,000
Campaigns/Penalty Rates & IR Reform	-	-
Postage / email campaigns	<u>5,450</u>	<u>7,201</u>
	<u>26,773</u>	<u>41,937</u>
NOTE 4E Loans, Grants and/ or donations		
Grants		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	<u>-</u>	<u>-</u>
Donations		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	<u>-</u>	<u>-</u>
NOTE 4F Depreciation and amortisation		
Depreciation		
Right of use assets	-	2,962
Property, plant & equipment	<u>30,844</u>	<u>82,330</u>
	<u>30,844</u>	<u>85,292</u>
Amortisation		
Intangible assets	<u>14,465</u>	<u>14,465</u>
Total depreciation and amortisation	<u>45,309</u>	<u>99,757</u>
NOTE 4G Finance costs		
Unwinding of discount	<u>-</u>	<u>77</u>
NOTE 4H Writedown and impairment of assets		
Property, plant and equipment	-	-
Intangibles	-	-
Investment in joint venture	<u>-</u>	<u>-</u>
NOTE 4I Net losses from disposal of assets		
Property, plant and equipment	-	-
Intangibles	<u>-</u>	<u>-</u>
NOTE 4J Legal costs		
Litigation	-	-
Other legal matters	<u>45,012</u>	<u>30,259</u>
	<u>45,012</u>	<u>30,259</u>

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	2025	2024
	\$	\$
NOTE 4K Other expenses		
Penalties - via RO Act or the Fair Work Act 2009	-	-
Portfolio management fee	27,971	22,725
Rental property costs	3,085	2,280
	31,056	25,005

NOTE 5 DIVIDENDS POLICY

No dividends were paid during the financial year or are proposed to be paid.

NOTE 6 INCOME TAX

Master Grocers Australia Limited is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has an obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Its controlled entity, Master Grocers Legal Pty Ltd is not exempt from income tax and accordingly the following information is provided in relation to the group's tax position.

(a) Income tax

Current tax	-	-
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	—	—

Deferred income tax

Decrease/(increase) in deferred tax assets	-	-
(Decrease)/increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	—	—
Income tax	—	—

Income tax is attributable to:

Profit from continuing operations	-	-
Profit from discontinued operations	-	-
	—	—

Master Grocers Legal Pty Ltd has a potential tax benefit of \$153 associated with the tax loss of \$613 for the current year, for which no deferred tax asset has been recognised.

NOTE 7 CASH & CASH EQUIVALENTS

Current

Cash at bank	270,768	327,101
Cash on hand	300	300
Other	-	-
	271,068	327,401

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	2025	2024
	\$	\$
NOTE 8 TRADE AND OTHER RECEIVABLES		
<i>Current</i>		
Trade receivables	175,194	101,656
Less: allowance for expected credit loss	-	-
	<u>175,194</u>	<u>101,656</u>
Other receivables:		
Receivables from other reporting units	-	-
Loans to related entity	-	-
Others	5,253	5,217
	<u>5,253</u>	<u>5,217</u>
Less: allowance for expected credit loss	-	-
	<u>5,253</u>	<u>5,217</u>
	<u>180,447</u>	<u>106,873</u>

The exposure to credit risk and allowance for expected credit loss associated with the aging of receivables is disclosed in Note 23D.

No collateral is held over trade and other receivables.

The reporting unit has recognised the following assets and liabilities related to contracts with customers:

Contract receivables		
Trade receivables - current	175,194	101,656
Trade receivables - non-current	-	-
	<u>175,194</u>	<u>-</u>
Contract liabilities		
Deferred revenue - current	198,124	215,655
Deferred revenue - non-current	-	-
	<u>198,124</u>	<u>215,655</u>

Contract liabilities arise from contracts with customers and represent amounts paid (or due) by customers before receiving the services promised under the contract.

The significant change between the opening and closing balances of contract assets primarily relates to \$50,600 in renewals which were billed in June 2025 but were billed either earlier or later in the previous year.

The change between the opening and closing balances of contract liabilities is not considered to be significant. Revenue recognised in the year that was included in the contract liability balance at the beginning of the year was \$215,655. Contract liability is released to the statement of comprehensive income over time as the performance obligation is met.

Unsatisfied performance obligations

The group expects that 100% of the transaction price allocated to remaining performance obligations is expected to be recognised as revenue within one year. These performance obligations primarily relate to member subscription contracts and corporate sponsorship .

NOTE 9 OTHER CURRENT ASSETS

<i>Current</i>		
Accrued income	138,603	106,365
Prepayments	7,313	8,697
	<u>145,916</u>	<u>115,062</u>

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	2025	2024
	\$	\$
NOTE 10 FINANCIAL ASSETS		
<i>Current</i>		
Financial assets at fair value through profit or loss (including designated)		
Managed investment portfolio	2,880,702	3,290,602
	<u>2,880,702</u>	<u>3,290,602</u>

Changes in fair values of financial assets at fair value through profit or loss are recorded in gains/(losses) in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

NOTE 11 INVESTMENT PROPERTY

Non current

As at 1st July	950,000	950,000
Additions	-	-
Net gain from fair value adjustment	-	-
As at 30 June	<u>950,000</u>	<u>950,000</u>

The valuation of Suite 9,1 Milton Parade, Malvern 3144 was performed by Charter Keck Cramer Pty Ltd, accredited independent valuers with a recognised and relevant professional qualification, on 9th April 2024.

The fair value of the investment property has been determined on a market value basis in accordance with International Valuation Standards (IVS), as set out by the International Valuation Standards Council (IVSC). In arriving at their estimates of market values, the valuers have used their market knowledge and professional judgement and not only relied on historical transactional comparables.

The highest and best use of the investment property is not considered to be different from its current use.

Rental income earned and reimbursements received from the investment property during the year was \$51,768 (2024: \$51,768).

Direct expenses incurred in relation to the investment property that generated rental income during the year were \$3,085 (2024: \$2,280). During the year and as at the year-end, no restrictions on the realisability of investment property or the remittance of income and proceeds of disposal were present. The group does not have any contractual obligations to purchase, construct or develop the investment property or for repairs, maintenance or enhancements.

The fair value of investment property was determined by Charter Keck Cramer by using both the Direct Sales and the Income Capitalisation Methods.

Under the Income Capitalisation Method, a property's fair value is estimated based on the normalised net operating income generated by the property, which is divided by the capitalisation rate of 6%.

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	2025	2024
	\$	\$
NOTE 12 INTANGIBLE ASSETS		
<i>Non current</i>		
Software assets	159,413	159,413
Less: accumulated amortisation and impairment	<u>(108,116)</u>	<u>(93,651)</u>
Net book value 30 June	<u>51,297</u>	<u>65,762</u>

Reconciliation of the opening and closing balances

As at 1st July

Gross book value	159,413	154,073
Accumulated depreciation and impairment	<u>(93,651)</u>	<u>(79,185)</u>
Net book value 1 July	<u>65,762</u>	<u>74,888</u>

Additions:

By purchase	-	5,340
Impairment	-	-
Amortisation	<u>(14,465)</u>	<u>(14,466)</u>
Disposals	-	-
Net book value 30 June	<u>51,297</u>	<u>65,762</u>

Net book value as at 30 June represented by:

Gross book value	159,413	159,413
Accumulated depreciation and impairment	<u>(108,116)</u>	<u>(93,651)</u>
Net book value 30 June	<u>51,297</u>	<u>65,762</u>

NOTE 13 PROPERTY, PLANT AND EQUIPMENT

Non current

Property - Land and building	1,960,000	1,960,000
at fair value	-	-
accumulated depreciation	<u>-</u>	<u>-</u>
	<u>1,960,000</u>	<u>1,960,000</u>
Property improvements		
at cost	67,760	67,760
accumulated depreciation	<u>(29,925)</u>	<u>(15,561)</u>
	<u>37,835</u>	<u>52,199</u>
Plant & equipment - at cost		
at cost	189,639	183,874
accumulated depreciation	<u>(168,913)</u>	<u>(152,433)</u>
	<u>20,726</u>	<u>31,441</u>
Net book value 30 June	<u>2,018,561</u>	<u>2,043,640</u>

The valuation of the property was performed by Charter Keck Cramer Pty Ltd, accredited independent valuers with a recognised and relevant professional qualification, on 9th April 2024. The fair value of the investment property is included within Level 2 of the fair value hierarchy as stated at Note 1.23 to the financial statements.

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NOTE 13 PROPERTY, PLANT AND EQUIPMENT (cont'd)
Reconciliation of the Opening and Closing Balances

	Property	Property Improvements	Plant & Equipment	Total
As at 1st July 2023				
Gross book value	1,990,000	67,760	181,675	2,239,435
Accumulated depreciation and impairment	(108,357)	(1,197)	(135,952)	(245,506)
Net book value 30 June 2024	1,881,643	66,563	45,723	1,993,929
Year ended 30 June 2024				
Additions:				
By purchase	-	-	2,199	2,199
Revaluations	129,842	-	-	129,842
Transfers in (out)	-	-	-	-
Depreciation expense	(51,485)	(14,364)	(16,481)	(82,330)
Disposals	-	-	-	-
Net book value 30 June 2024	1,960,000	52,199	31,441	2,043,640
Net book value as at 30 June 2024 represented by:				
Gross book value	1,960,000	67,760	183,874	2,211,634
Accumulated depreciation and impairment	-	(15,561)	(152,433)	(167,994)
Net book value 30 June 2024	1,960,000	52,199	31,441	2,043,640
Year ended 30 June 2025				
Additions:				
By purchase	-	-	5,765	5,765
Revaluations	-	-	-	-
Transfers in (out)	-	-	-	-
Depreciation expense	-	(14,364)	(16,480)	(30,844)
Disposals	-	-	-	-
Net book value 30 June 2025	1,960,000	37,835	20,726	2,018,561
Net book value as at 30 June 2025 represented by:				
Gross book value	1,960,000	67,760	189,639	2,217,399
Accumulated depreciation and impairment	-	(29,925)	(168,913)	(198,838)
Net book value 30 June 2025	1,960,000	37,835	20,726	2,018,561

The revalued land and buildings consist of Suite 4 & 5,1 Milton Parade, Malvern 3144.

As at the date of revaluation on 9 April 2024, the properties' fair values are based on valuations performed by Charter Keck Cramer Pty Ltd, an accredited independent valuer. Fair value of the properties was determined by direct sales comparison and income capitalisation methods.

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	2025	2024
	\$	\$
NOTE 14 RIGHT OF USE ASSET AND LEASE LIABILITY		
Amount of right of use asset (office equipment) recognised and the movements during the year:		
As at 1 July	-	2,962
Additions	-	-
Depreciation	-	(2,962)
Impairment	-	-
Disposal	-	-
As at 30 June	-	-
	=====	=====

Amount of lease liability recognised and the movements during the year:

As at 1 July	-	3,482
Additions	-	-
Accretion of interest	-	77
Payments	-	(3,559)
As at 30 June	-	-
	=====	=====
Lease liability - current	-	-
Lease liability - non-current	-	-
	=====	=====

The maturity analysis of lease liability is as disclosed in Note 23E

Amounts recognised in Statement of Comprehensive Income:

Depreciation expense of right of use asset	-	-
Interest expense on lease liability	-	77
Short-term and low value lease recognised on a straight line basis	-	-
	=====	=====

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	2025	2024
	\$	\$
NOTE 15 TRADE AND OTHER PAYABLES		
Trade payables	28,201	40,653
Sundry payables & accruals	<u>234,052</u>	<u>115,836</u>
	262,253	156,489
Payables to other reporting units	-	-
	<u>262,253</u>	<u>156,489</u>

Total trade and other payables are expected to be settled in:

No more than 12 months	262,253	156,489
More than 12 months	-	-
	<u>262,253</u>	<u>156,489</u>

The average credit period on trade and other payables is 30 days. No interest is payable on outstanding payables during this period.

NOTE 16 PROVISIONS

Employee provisions

Office holders:

Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Employee provisions - office holders		

Employees other than office holders

Annual leave	92,980	65,995
Long service leave	15,694	21,671
Separations and redundancies	-	-
Other	-	-
Employee provisions - other than office holders		

Current

Employee entitlements - provision for annual leave	92,980	65,995
Employee entitlements - provision for long service leave	-	13,894
	<u>92,980</u>	<u>79,889</u>

Non Current

Employee entitlements - provision for annual leave	-	-
Employee entitlements - provision for long service leave	15,694	7,777
	<u>15,694</u>	<u>7,777</u>

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	2025	2024
	\$	\$
NOTE 17 CASH FLOW		
NOTE 17A: Cash flow reconciliation		
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash flow statement	271,068	327,401
Balance Sheet	<u>271,068</u>	<u>327,401</u>
Difference	<u>-</u>	<u>-</u>
(a) Reconciliation of operating profit after income tax to net cash provided by (used in) operating activities:		
Profit (loss) for the year	(510,590)	150,757
Non-cash flows in operating profit:-		
(Profit) Loss on disposal of plant & equipment	-	-
Write-down or impairment of assets	-	-
(Gain) on revaluation of investment property	-	-
(Gain) Loss on financial assets at fair value through profit or loss	(124,529)	(296,507)
Non cash income	-	-
Lease interest expense	-	77
Depreciation and amortisation	45,309	99,757
Allowance for expected credit loss	-	-
Change in assets and liabilities:		
(Increase) / decrease		
- Trade receivables	(81,899)	75,346
- Sundry receivables and prepayments	(30,853)	4,220
(Decrease) / increase		
- Trade, sundry payables & accruals	114,087	(43,331)
- Contract liabilities	(17,530)	(56,481)
- Employee provisions	<u>21,008</u>	<u>(31,077)</u>
Net cash provided by operating activities	<u>(584,997)</u>	<u>(97,239)</u>
NOTE 17B Cashflow information		
Cash inflows from reporting unit/ controlled entity	<u>2,640</u>	<u>-</u>
Cash outflows from reporting unit/ controlled entity	<u>-</u>	<u>-</u>

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	2025	2024
	\$	\$
NOTE 18 RELATED PARTY TRANSACTIONS		
(a) Key management personnel compensation		
Any person(s) having authority and responsibility for planning, directing and controlling the activities of the group directly or indirectly is considered key management personnel.		
Short term employee benefits	493,015	461,487
Post employment benefits	50,580	47,688
Other long term employee benefits	(1,407)	(7,123)
Termination benefits	127,975	-
Share based payments	-	-
Total	670,163	502,052
(b) Other transactions with key management personnel and their close family members		
Loans to / from key management personnel	-	-
Other transactions with key management personnel	-	-
	—	—
(c) Other related party transactions		
(i) Travel cost incurred, paid or reimbursed to officeholders		
Rosario Anile	7,909	6,820
Christopher Dos Santos	-	605
Graeme James Gough	-	2,106
Donald Jeffery Harper	553	-
Grant John Hinchcliffe	22,238	9,454
Ripple Himanshu Parekh	3,238	2,703
Terry Slaughter	6,669	6,692
Deborah May Smith	5,664	3,016
Dimitrios Spyros	2,935	2,518
Lincoln George Wymer	1,801	383
Salvatore Zucco	4,334	-
	55,341	34,297
(ii) Committee meeting attendance fees paid directly or indirectly to officeholders not included above		
	—	12,000
(d) Subsidiaries		
Interests in subsidiaries are set out in Note 25.		
NOTE 19 REMUNERATION OF AUDITORS		
Financial statement audit services	8,250	8,750
Other services	-	-
	8,250	8,750

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	2025	2024
	\$	\$
NOTE 20 CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS		
(a) Contingencies		
The group had no contingent assets or liabilities as at 30 June, 2025 (2024 - none)		
(b) Operating lease commitments - as lessor		
<i>Commitments for minimum lease payments in relation to non-cancellable operating lease is as follows:</i>		
Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-
	<hr/>	<hr/>
(c) Contractual commitments		
The group had no contractual commitments as at 30 June 2025 (2024 - none)		

NOTE 21 MEMBERS GUARANTEE

Master Grocers Australia Limited is limited by guarantee. If the entity is wound up, the Constitution states that each member is required to contribute a maximum amount not exceeding \$100 towards meeting any outstanding obligations of Master Grocers Australia Limited.

At 30 June 2025, there were 2,042 members and 85 associate members.

NOTE 22 ADMINISTRATION OF FINANCIAL AFFAIRS BY A THIRD PARTY

There is no administration of financial affairs by a third party.

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NOTE 23 FINANCIAL INSTRUMENTS

The group is exposed to various risks in relation to financial instruments. The main types of risk are market risk, credit risk and liquidity risk.

Risk management is carried out by management under policies approved by the Committee of Management. The Committee of Management identifies and evaluates financial risk as part of regular meetings.

The Finance Committee works in close co-operation with the group's external portfolio manager to minimise financial risk and maximise returns on the managed investment portfolio.

	2025	2024
	\$	\$
NOTE 23A Categories of financial instruments		
Financial assets		
Financial assets at amortised cost		
Cash and cash equivalents	271,068	327,401
Trade and other receivables	180,447	106,873
Financial assets at fair value through profit or loss		
Managed investment portfolio	<u>2,880,702</u>	<u>3,290,602</u>
Carrying amount of financial assets	<u>3,332,217</u>	<u>3,724,876</u>
Financial liabilities		
Financial liabilities at amortised cost		
Trade payables and other payables	<u>262,253</u>	<u>156,489</u>
Carrying amount of financial liabilities	<u>262,253</u>	<u>156,489</u>

NOTE 23B Market risk analysis

The group is exposed to market risk through its investments in financial instruments and specifically to interest rate risk and equity price risks which result from both its operating and investing activities.

Interest rate sensitivity

Exposure to interest rate risk arises on interest-bearing financial assets at the end of the reporting period, whereby a future change in interest rates will affect either the future cash flows or the fair value of fixed rate financial instruments. The financial instruments that primarily expose the group to interest rate risks are cash and cash equivalents.

The weighted average interest rates of interest-bearing financial assets and the estimated impact of a change in interest rates on post-tax profit is as follows:

	2025	2024	2025	2024
	\$	\$	%	%
Financial assets	155,189	154,725	4.78%	6.00%
Cash and cash equivalents	271,068	327,401	0.55%	1.20%
Impact on post-tax profit of :				
Increase in interest rates by 100 basis points	4,263	4,821		

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NOTE 23B Market risk analysis (Cont'd)

Other price risk sensitivity

The group is exposed to changes in equity price movement in respect of its equity investments.

The following table illustrates the sensitivity of post tax profit and equity to a reasonably possible change in price movement of + / - 10% (2024: + / -10%). The calculations are based on financial instruments held at each reporting date that are sensitive to price movement.

Post tax profit		
	+10%	-10%
30-Jun-25	288,070	(288,070)
30-Jun-24	329,060	(329,060)

Equity		
	+10%	-10%
30-Jun-25	288,070	(288,070)
30-Jun-24	329,060	(329,060)

NOTE 23C Foreign Exchange risk analysis

The group is only indirectly exposed to foreign exchange risk movement in respect of its investment in international equities through managed funds.

NOTE 23D Credit risk analysis

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, and credit exposures to the sale of services to members and customers, including outstanding receivables and committed transactions.

The group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

Classes of financial assets	2025	2024
	\$	\$
<i>Carrying amounts:</i>		
Cash and cash equivalents	271,068	327,401
Trade and other receivables	180,447	106,873
Total	451,515	434,274

Credit risk is managed through maintaining procedures that ensure, to the extent possible, that customers and counterparties to transactions are of sound creditworthiness and their financial stability is monitored and assessed on a regular basis. Such monitoring is used in assessing receivables for impairment.

The allowance for expected credit loss associated with the aging of trade receivables is detailed below:

30-Jun-25	Trade receivables					Total
	Current	<30days	30 - 60 days	61 - 90days	>91 days	
Expected credit loss rate (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Estimated total gross carrying amount at default (\$)	171,344	-	3,850	-	-	175,194
Expected credit loss (\$)	-	-	-	-	-	-
Trade receivable net of allowance (\$)	171,344	-	3,850	-	-	175,194

30-Jun-24	Trade receivables					Total
	Current	<30days	30 - 60 days	61 - 90days	>91 days	
Expected credit loss rate (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Estimated total gross carrying amount at default (\$)	26,395	728	73,084	-	1,448	101,655
Expected credit loss (\$)	-	-	-	-	-	-
Trade receivable net of allowance (\$)	26,395	728	73,084	-	1,448	101,655

Loss rates are estimated in each age category and are based on the probability of a receivable progressing to write-off.

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NOTE23E Liquidity risk analysis

Liquidity risk is a risk that the group might be unable to meet its obligations. The group's approach to managing liquidity risk is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding as required and the ability to close-out market positions if necessary. The finance committee aims at maintaining flexibility in funding by keeping adequate liquidity available.

Contractual maturities for financial liabilities 2025

	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
	\$	\$	\$	\$
Trade and other payables	262,253	-	-	-
Total	262,253	-	-	-

Contractual maturities for financial liabilities 2024

	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
	\$	\$	\$	\$
Trade and other payables	156,489	-	-	-
Total	156,489	-	-	-

Lease liability maturity for 2025

	On demand	< 1 year	1 to 5 years	Later than 5 years
	\$	\$	\$	\$
Lease liability	-	-	-	-
Total	-	-	-	-

Lease liability maturity for 2024

	On demand	< 1 year	1 to 5 years	Later than 5 years
	\$	\$	\$	\$
Lease liability	-	-	-	-
Total	-	-	-	-

NOTE23F Changes in liabilities arising from financing activities

	01-Jul-24	Cash flows	Non-cash changes			30-Jun-25
			Acquisition	Foreign Exchange	Fair Value Changes	
Short-term borrowings	-	-	-	-	-	-
Total liabilities from financing activities	-	-	-	-	-	-
	1-Jul-23	Cash flows	Non-cash changes			30-Jun-24
			Acquisition	Foreign Exchange	Fair Value Changes	
Short-term borrowings	-	-	-	-	-	-
Total liabilities from financing activities	-	-	-	-	-	-

NOTE 23G Net income and expense from financial assets and financial liabilities

	2025	2024
	\$	\$
Net income and expense from financial assets		
Fair value through profit or loss - Held for trading and those designated as fair value through profit and loss:		
- Change in fair value	124,529	296,507
- Dividend revenue	133,046	66,468
- Interest revenue	7,407	22,059
- Trust distributions	-	-
- Exchange gains/(loss)	-	-
Total held for trading and designated as fair value through profit and loss	264,982	385,034
At Amortisation		
- Interest revenue	1,632	5,178
Net income/(expense) from financial assets	266,614	390,212

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NOTE 24 FAIR VALUE MEASUREMENT

Financial assets and liabilities fair value hierarchy

Financial assets and financial liabilities measured at fair value in the Statement of Financial Position are grouped into three (3) levels of a fair value hierarchy. The three (3) levels are defined based on the observability of significant inputs to the measurement, as follows:

- a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability; either directly or indirectly
- c) Level 3: unobservable inputs for the asset or liability

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis at 30 June 2025 and 30 June 2024:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
30-Jun-25				
Assets				
Fair value through profit or loss	2,880,702	-	-	2,880,702
Net fair value	2,880,702	-	-	2,880,702
30-Jun-24				
Assets				
Fair value through profit or loss	3,290,602	-	-	3,290,602
Net fair value	3,290,602	-	-	3,290,602

Fair value through profit or loss financial assets have been determined by reference to their quoted bid prices at the reporting date.

The fair value of cash, trade and other receivables and trade and other payables and borrowings are assumed to approximate their carrying amounts due to their short-term nature.

Non-financial assets fair value hierarchy

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
30-Jun-25				
Assets				
Property, plant & equipment - Land & building	-	1,997,835	-	1,997,835
Investment property	-	950,000	-	950,000
Net fair value	-	2,947,835	-	2,947,835
30-Jun-24				
Assets				
Property, plant & equipment - Land & building	-	2,012,199	-	2,012,199
Investment property	-	950,000	-	950,000
Net fair value	-	2,962,199	-	2,962,199

Fair value of the group's main property assets is estimated based on appraisals performed by independent, professionally-qualified property valuers. The significant inputs and assumptions are developed in close consultation with management.

Further information about the valuation of the property assets is in Notes 11 and 13.

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NOTE 25 INTERESTS IN OTHER ENTITIES

Material subsidiaries

The group has one subsidiary, which is a wholly owned controlled entity, as at 30 June 2025, as set out below. The subsidiary was previously known as Independent Retailer Pty Ltd and was dormant until it changed its name to Master Grocers Legal Pty Ltd in September 2024 and commenced provision of legal advice.

Name of entity	Place of business/country of incorporation	Ownership interest held by the group		Principal activities
		30-Jun-25	30-Jun-24	
Master Grocers Legal Pty Ltd	Australia	100	100	Provision of legal advice

NOTE 26 PARENT ENTITY FINANCIAL INFORMATION

(a) Summary financial information

The individual financial statements for the parent entity, Master Grocers Australia Limited, show the following aggregate amounts:

	2025	2024
	\$	\$
Statement of financial position		
Current assets	3,478,098	3,839,938
Total assets	6,497,956	6,899,341
Current liabilities	552,708	452,033
Total liabilities	568,402	459,810
Member's equity		
Revaluation Reserves	1,733,135	1,733,135
Retained earnings	4,706,395	4,706,395
	6,439,530	6,439,530
Profit or loss for the period	(509,977)	150,757
Total comprehensive income	(509,977)	280,599

(b) Determining the parent entity financial information

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except as noted below:

- (i) The parent entity is a not for profit entity and is not required to account for tax except as noted in note 6.
- (ii) The subsidiary's operations are taxable however no tax is expected to be payable in respect of the year ended 30 June 2025.

MASTER GROCERS AUSTRALIA LIMITED

A.C.N. 004 063 263

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 27 INFORMATION TO BE PROVIDED TO MEMBERS

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members of Master Grocers Australia Limited is drawn to the provisions of subsections (1), (2) and (3) of Section 272, which reads as follows:

- (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).

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
CONSOLIDATED ENTITY DISCLOSURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Name of entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Place of incorporation	Australian resident	Foreign jurisdictions
Master Grocers Legal Pty Ltd	Body Corporate	No	100	Australia	Yes	Not applicable

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
OFFICER DECLARATION STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

I, Grant Hinchcliffe, being the President of Master Grocers Australia Limited, declare that the following activities did not occur during the reporting period ending 30 June 2025.

The group 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
- receive capitation fees or any other revenue from another reporting unit
- receive revenue via compulsory levies
- receive revenue from undertaking recovery of wages activity
- recognise income from volunteer services or transfers
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- pay capitation fees or any other expense to another reporting unit
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a fund or account for compulsory levies, voluntary contributions or as 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 a balance within the general fund
- provide cash flows to another reporting unit and/or controlled entity as defined by the RO Act
- receive cash flows from another reporting unit and/or controlled entity as defined by the RO Act
- make a payment to a former related party of the group
- have another entity administer the financial affairs of the group
- earn income related to transfers to enable an entity to acquire or construct a recognisable nonfinancial asset to be controlled by the group
- have a compulsory levy imposed on the group by another reporting unit or other entity
- have a payable at the end of the reporting period in respect of legal costs relating to litigation or other legal matters
- have a receivable or payable at the end of the reporting period with another reporting unit as defined by the RO Act
- provide or receive cash flows from another reporting unit and/or controlled entity

For the Committee of Management:

Title of Office held: President

DATED this 22nd day of October 2025

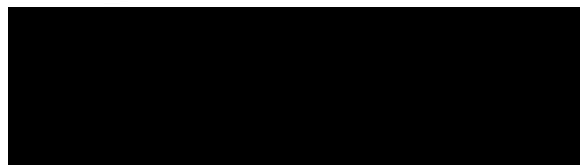
MASTER GROCERS AUSTRALIA LIMITED

Auditors Independence Declaration

To the Directors of Master Grocers Australia Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Master Grocers Australia Limited for the year ended 30 June 2025 there have been:

- (a) no contraventions of the auditor's independence requirements of Australian professional ethical pronouncements in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



.....
Phillip Elliott *

620 St Kilda Road
Melbourne

Dated this 29th day of October 2025

** Liability limited by a scheme approved under Professional Standards Legislation*



Elliott Assurance Pty Ltd *
Audit and Compliance Services

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE MASTER GROCERS AUSTRALIA LIMITED**

Audit Opinion

I have audited the consolidated financial report of the Master Grocers Australia Limited (the reporting unit), which comprises the Statement of Financial Position as at 30 June 2025, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year ended 30 June 2025, Notes to and Forming Part of the Financial Statements, including a summary of significant accounting policies, the Controlled Entity Disclosure Statement, the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In my opinion the accompanying consolidated financial report presents fairly, in all material respects, the financial position of the Master Grocers Australia Limited as at 30 June 2025, and its financial performance and cash flows for the year ended on that date in accordance with Australian Accounting Standards and 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 management's use of the going concern basis in the preparation of the financial statements 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 this 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* (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 Auditors Report

The committee of management 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.

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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE MASTER GROCERS AUSTRALIA LIMITED**

Responsibilities of the Committee of Management for the Financial Report

The Committee of Management of the reporting unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management 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 Committee of Management either intend to liquidate the reporting unit or to cease operations, or have no realistic alternative but to do so.

Auditors Responsibility for the Audit of the Financial Report

My objectives are 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 the 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 this 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.
- Conclude on the appropriateness of the committee of management'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.
- 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 audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance 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.

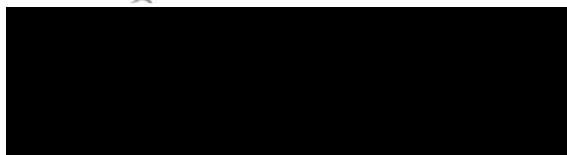
**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE MASTER GROCERS AUSTRALIA LIMITED**

Independence

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor Status

I declare that I am an approved auditor, a member of the Institute of Chartered Accountants and hold a current Public Practice Certificate. I am registered with the Fair Work Commission. My registered auditor number is AA2017/245.



.....
Phillip Elliott *

620 St Kilda Road Melbourne

Dated this 29th day of October 2025

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