



23 January 2026

Danny Talbot
President
Master Painters Australia - N.S.W. Association Inc.
Sent via email: reception@masterpainters.com.au
CC: tdunn@tndadvisory.com
indra@masterpainters.com.au
elvis@ejkaccounting.com.au

Dear Danny Talbot

**Master Painters Australia - N.S.W. Association Inc.
Financial Reports for the year ended 31 December 2022 – (FR2022/278), 31 December 2023 (FR2023/260)
and 31 December 2024 (FR2024/255)**

I acknowledge receipt of the financial reports for the year ended 31 December 2022, 31 December 2023 and 31 December 2024 for the Master Painters Australia - N.S.W. Association Inc. (the reporting unit). The financial reports were lodged with the Fair Work Commission (the Commission) on 4 December 2025.

I also acknowledge receipt of the amended auditor's reports for the year ended 31 December 2023 and 31 December 2024 which were lodged with the Commission on 18 December 2025.

The financial reports have now been filed.

I make the following comments regarding issues identified in the lodged reports to assist you when you next prepare a financial report. The Commission will confirm these matters have been addressed prior to filing next year's report.

Issues

1. Timescale requirements

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timelines can be found on the Commission's website, in particular:

- the fact sheet [financial reporting process](#) which explains the timeline requirements, and
- the fact sheet [summary of financial reporting timelines](#) which sets out the timelines in diagrammatical format.

The Commission's website also contains a [compliance calculator](#) to help organisations comply with the *Fair Work (Registered Organisations) Act 2009* (RO Act) timelines.

I note that the following timescale requirements were not met:

Financial Report for year ended 31 December 2022

(Reporting unit granted an extension of time)

	Statutory timeframe (no later than)	Date event occurred
Prepare General Purpose Financial Report (GPFR) (s 253)	10 July 2023	13 March 2025
Prepare operating report (s 254)	10 July 2023	13 March 2025
Provide full report to members (s 265(5))	10 July 2023 (with extension)	6 November 2025
Full report presented to a meeting (s 266)	31 July 2023 (with extension)	27 November 2025
Lodge with the Commission (s 268)	14 August 2023	4 December 2025

Financial Report for year ended 31 December 2023

	Statutory timeframe (no later than)	Date event occurred
Prepare GPFR (s 253)	9 June 2024	5 November 2025
Prepare operating report (s 254)	9 June 2024	5 November 2025
Provide full report to members (s 265(5))	9 June 2024	6 November 2025
Full report presented to a meeting (s 266)	30 June 2024	27 November 2025
Lodge with the Commission (s 268)	14 July 2024	4 December 2025

Financial Report for year ended 31 December 2024

	Statutory timeframe (no later than)	Date event occurred
Prepare GPFR (s 253)	9 June 2025	5 November 2025
Prepare operating report (s 254)	9 June 2025	5 November 2025
Provide full report to members (s 265(5))	9 June 2025	6 November 2025
Full report presented to a meeting (s 266)	30 June 2025	27 November 2025
Lodge with the Commission (s 268)	14 June 2025	4 December 2025

The Commission has communicated with the reporting unit since January 2023 on its obligations relating to the preparation, auditing, provision, presentation and lodgement of its financial report. This has been via courtesy and reminder letters, telephone calls, numerous emails and formal correspondence along with meeting the reporting unit's interim Chief Executive Officer in September 2025.

As repeatedly communicated to the reporting unit, the Commission has serious concerns about the reporting unit's ability to comply with its obligations. Please note that all the abovementioned sections of the RO Act are civil penalty provisions and future failure to meet these timelines may result in an inquiry into the organisation. The General Manager of the Commission may apply under subsection 310(1) of the RO Act to the Federal Court of Australia for a pecuniary penalty order to be imposed on your organisation and, potentially, an officer whose conduct led to the non-compliance.

2. Nil activities disclosure – reporting guidelines

Item 20 of the reporting guidelines states that if any of the activities identified within items 9 – 19 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. The notes contained nil activity information for all prescribed reporting guideline categories except the following:

Item 19 – make a payment to a former related party of the reporting unit.

Please ensure in future years that the above-mentioned item is disclosed in either the financial statements, the notes or in the officer's declaration statement as per the reporting guidelines

3. Statement of cash flow – receipts from other reporting units and or controlled entities

Item 17 of the reporting guidelines requires that where reporting units have cash flows to/from another reporting unit and/or controlled entity, the following details of such cash flow should be separately disclosed either in the cash flow statement or in the notes to the financial statements:

- (i) the name of the other reporting unit and/or controlled entity concerned; and
- (ii) the amount paid to/received from each.

I note that the statement of cash flow discloses total cash receipts from other reporting units (2022: \$762,984; 2023: \$508,560 and 2024: \$441,691), but it does not separately disclose the name of the other reporting unit and/or controlled entity and the amount received from each.

On 18 December 2025, the reporting unit's Chief Compliance Manager advised the Commission that these receipts were made from MPGTC Pty Ltd - the reporting unit's controlled entity.

Please ensure in future years at any cash payment or receipts to/from controlled entity are disclosed in accordance with the reporting guidelines.

4. Reference to the Commissioner of the Registered Organisations Commission

The Commission has been the regulator for registered organisations since 6 March 2023. All references to the Registered Organisations Commission and Commissioner of the Registered Organisations Commission must be changed to the Fair Work Commission and General Manager of the Fair Work Commission.

I note that item (e)(v) of the committee of management statement and note 18 in the 2023 and 2024 financial reports refer to the Commissioner instead of the General Manager of the Fair Work Commission.

Please ensure in future year that these items are updated accordingly.

Next steps

Although you are not required to take any further action in respect of the reports lodged, as mentioned above, the Commission has concerns with the repeated non-compliance of the reporting unit with its financial reporting obligations. This also extends to the elected officers and their obligations to act with care and diligence in relation to the financial management of the reporting unit (see section 285 of the RO Act).

Proposed enforceable undertaking

I acknowledge that the Commission and the reporting unit have commenced discussions in relating to entering into an enforceable undertaking in relation to the reporting unit's non-compliance with financial reporting timeframes, and that the proposed undertaking is likely to include commitments regarding the 2025 financial report. The Commission sees this as a positive step and will continue to progress with this regulatory response to the non-compliant issues identified.

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 PAINTERS AUSTRALIA NSW ASSOCIATION INC. AND
ITS CONTROLLED ENTITIES**

ABN: 18 931 692 913



FINANCIAL REPORT

**FOR THE YEAR ENDED
31 DECEMBER 2022**

**MASTER PAINTERS AUSTRALIA NSW ASSOCIATION INC.
AND ITS CONTROLLED ENTITIES**

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**MASTER PAINTERS AUSTRALIA NSW ASSOCIATION INC.
AND ITS CONTROLLED ENTITIES
ABN 18 931 692 913**

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
FOR THE YEAR ENDED 31 DECEMBER 2022**

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I, Danny Talbot being the President of the Master Painters Australia NSW Association Inc.,
certify:

1. That the documents lodged herewith are copies of the full report for Master Painters Australia NSW Association Inc. for the year ended 31 December 2022 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009;
2. That the full report was provided to members of Master Painters Australia NSW Association Inc. on 6 November 2025; and
3. That the full report was presented to a General Meeting on 27 November 2025 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.



Danny Talbot
President

Date: 28/11/2025

**MASTER PAINTERS AUSTRALIA NSW ASSOCIATION INC.
AND ITS CONTROLLED ENTITIES
ABN 18 931 692 913**

**REPORT REQUIRED UNDER SUBSECTION 255 (2A)
FOR THE YEAR ENDED 31 DECEMBER 2022**

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The committee of management presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 31 December 2022.

Categories of expenditure	Consolidated Group		Parent Entity	
	2022 \$	2021 \$	2022 \$	2021 \$
Remuneration and other employment-related costs and expenses - em ployees	1,030,523	1,487,240	268,514	248,879
Advertising	29,481	20,660	27,906	18,104
Operatin g costs	344,000	1,95,543	193,715	120,084
Donations to Blitical Parties	-	-	-	-
Legal costs	-	-	-	-



Signature of designated officer:

Name and title of designated officer: Danny Talbot - President.

Dated: 13 March 2025

**MASTER PAINTERS AUSTRALIA NSW ASSOCIATION INC.
AND ITS CONTROLLED ENTITIES
ABN 18 931 692 913**

**OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

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The committee of management presents its operating report on the reporting unit for the year ended 31 December 2022.

1. Principal Activities during year

The principal activity of the Consolidated Entity during the financial year was to provide services to the painting and decorating industry. Master Painters Australia NSW Association Inc (MPA) is an independent representative for firms and individuals conducting business in the painting, decorating and sign writing trades. We do this by our involvement with numerous government consultative forums both nationally and at a state level. The Association seeks to advance, encourage and recognise the highest standards of trade craftsmanship and ethical business practice in residential, strata, industrial commercial and historical projects. We do this by providing members up-to-date information on a regular basis. Members of MPA have a range of resources available to them by way of magazines, e-bulletins, industry consultants, and updates, accredited and certified courses.

2. Results of activities

The loss of the Consolidated Entity for the financial year amounted to \$437,133 (2021 loss \$159,744). No income tax is payable.

3. Significant changes in nature of activities

No significant change in the nature of these activities occurred during the year. The activities above have achieved the Association's objectives.

4. Review of non-financial activities

The Association is continually reviewing the services it provides to its members. The principal activities as listed above have achieved the Association's objectives. Suffice to say that the Association is constantly reviewing aspects of its business in order to assist its members.

5. Details of any significant changes in financial affairs during the year.

No significant changes in financial affairs occurred during the year.

6. Resignation of Members (rights)

Members may resign from the Association in accordance with rule 10, which reads as follows:

1. A member of the Association may resign from membership by written notice addressed and delivered to the Association
2. A notice of resignation from membership of the Association takes effect:
 - a) Where the Member ceases to be eligible to become a Member of the Association:
 - i) On the day on which the notice is received by the Association; or
 - ii) On the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a Member; whichever is later
 - or
 - b) In any other case;

- ii) At the end of two weeks, or such shorter period as is specified in the rules of the Association, after the notice is received by the Association, or
 - ii) On the day specified in the notice; whichever is later.
3. Any dues payable but not paid by a former Member of the Association, in relation to a period before the Member's resignation took effect, may be sued for and recovered in a court of competent jurisdiction, as a debt due to the Association.
 4. A written notice delivered to the person mentioned in sub-rule (1) shall be taken to have been received by the Association when it was delivered.
 5. A notice of resignation that has been received by the Association is not invalid because it was not addressed and delivered in accordance with sub-rule (1).
 6. A resignation from membership of the Association is valid even if it is not effected in accordance with this rule if the member is informed in writing by or on behalf of the Association that the resignation has been accepted.

7. Trustee or director of trustee company or exempt public sector superannuation scheme

There were no officers of the Association who held reserved positions in these entities.

8. Number of Members

The number of members at the end of December 2022 was 220.

9. Number of Employees

The number of employees (expressed as full-time equivalent basis) of the Master Painters Australia NSW Association Inc and its Controlled Entities at the end of the financial year was 2 staff and 16 apprentices.

10. Members of Committee of Management

The following persons were members of the Committee of Management during or since the end of the financial year.

Danny Talbot - President	Appointed 29/06/2021
Frank Forouzandeh - Vice President	Appointed 10/01/2022
Sergio da Silva - Secretary	Resigned 11/02/2022
John Volante – Secretary	Appointed 25/03/2022
Ekrem Karavus - Industrial Officer	Appointed 29/06/2021
Jeff Love – Committee member	Appointed 29/06/2021
Elton Willis– Committee member	Appointed 03/02/2022
Simon Parancin– Committee member	Appointed 03/02/2022
Juan Polo Portos – Committee member	Appointed 19/09/2022

Signature of designated officer: 

Name and title of designated officer: Danny Talbot - President

Dated: 13 March 2025

**MASTER PAINTERS AUSTRALIA NSW ASSOCIATION INC.
AND ITS CONTROLLED ENTITIES
ABN 18 931 692 913**

**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

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On 13 March 2025 the Committee of Management of the Master Painters Australia NSW Association Inc passed the following resolution in relation to the general-purpose financial report (GPFR) for the year ended 31 December 2022:

The Committee of Management declares that in its opinion:

- a) The financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- c) The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of 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; and
- 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 the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - vi) 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

This declaration is made in accordance with a resolution of the Committee of Management.

Signature of designated officer

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Name and title of designated officer: Danny Talbot - President

Dated: 13 March 2025

MASTER PAINTERS AUSTRALIA NSW ASSOCIATION INC.

AND ITS CONTROLLED ENTITIES

ABN 18 931 692 913

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

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	NOTE	Consolidated group		Parent Entity	
		2022	2021	2022	2021
		\$	\$	\$	\$
Revenue from contracts with customers	4	885,137	1,426,549	120,646	231,096
Capitation fee	4A	-	-	-	-
Levies	4B	-	-	-	-
Revenue from recovery of wages activity	4G	-	-	-	-
Total revenue from contracts with customers		885,137	1,426,549	120,646	231,096
Income for furthering objectives	4	-	-	-	-
Grants or donations	4C	-	-	-	-
Income recognised from volunteer services	4D	-	-	-	-
Income recognised from transfers	4E	-	-	-	-
Total income for furthering objectives		-	-	-	-
Other income					
Net gains from sale of assets	4F	-	1,204	-	-
Investment income	4H	128	6	-	-
Rental income	4I	3,240	-	3,240	-
Other income	4J	78,366	276,820	71,066	163,165
Total other income		81,734	278,030	74,306	163,165
Total revenue		966,871	1,704,579	194,952	394,261
Expenses					
Employee expenses	5A	1,030,523	1,487,240	268,514	248,879
Capitation fees	5B	-	-	-	-
Affiliation fees	5C	-	-	-	-
Administration expenses	5D	146,111	122,928	78,264	72,440
Grants or donations	5E	-	-	-	-
Depreciation and amortisation	5F	-	-	-	-
Finance costs	5G	-	-	-	-
Legal costs	5H	-	-	-	-
Write-down and impairment of assets	5I	-	-	-	-
Net losses from sale of assets	5J	-	-	-	-
Other expenses	5K	202,870	79,275	125,357	57,748
Audit fees	15	24,500	16,000	18,000	8,000
Total expenses		1,404,004	1,705,443	490,135	387,067
Profit / (Loss) for the year		(437,133)	(864)	(295,183)	7,194
Other comprehensive income					
Items that will not be subsequently reclassified to profit or loss					
Gain/(loss) on debt instruments at fair value through					
Other comprehensive income (FVTOCI)		-	-	-	-
Items that will not be subsequently reclassified to profit or loss					
Gain/(loss) on revaluation of land & buildings	3,300,000	-	-	1,650,000	-
Gain/(loss) on equity instruments designated					
at FVTOCI		-	-	-	-
Total comprehensive income / (loss) for the year		2,862,867	(864)	1,354,817	7,194

The above statement should be read in conjunction with the notes.

**MASTER PAINTERS AUSTRALIA NSW ASSOCIATION INC.
AND ITS CONTROLLED ENTITIES
ABN 18 931 692 913
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

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	NOTE	Consolidated group		Parent Entity	
		2022	2021	2022	2021
		\$	\$	\$	\$
ASSETS					
CURRENT ASSETS					
Cash and Cash Equivalents	6A	144,923	594,569	21,300	407,325
Trade and other receivables	6B	107,996	225,366	21,651	138,134
TOTAL CURRENT ASSETS		<u>252,919</u>	<u>819,935</u>	<u>42,951</u>	<u>545,459</u>
NON-CURRENT ASSETS					
Property, Plant and Equipment	7A	6,300,000	3,000,000	3,150,000	1,500,000
Other non-current assets	7B	1,000	1,000	1,001	1,001
TOTAL NON-CURRENT ASSETS		<u>6,301,000</u>	<u>3,001,000</u>	<u>3,151,001</u>	<u>1,501,001</u>
TOTAL ASSETS		<u>6,553,919</u>	<u>3,820,935</u>	<u>3,193,952</u>	<u>2,046,460</u>
LIABILITIES					
CURRENT LIABILITIES					
Trade payables	8A	75,914	64,159	21,834	20,371
Other payables	8B	22,305	61,800	11,139	54,045
Contract liabilities	8C	82,109	106,019	82,109	106,019
Employee provisions	9A	31,006	77,170	7,768	40,049
TOTAL CURRENT LIABILITIES		<u>211,334</u>	<u>309,148</u>	<u>122,850</u>	<u>220,484</u>
NON-CURRENT LIABILITIES					
Employee provisions	9A	-	32,069	-	32,069
Other non-current liabilities	14A	-	-	484,741	562,363
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>32,069</u>	<u>484,741</u>	<u>594,432</u>
TOTAL LIABILITIES		<u>211,334</u>	<u>341,217</u>	<u>607,591</u>	<u>814,916</u>
NET ASSETS		<u>6,342,585</u>	<u>3,479,718</u>	<u>2,586,361</u>	<u>1,231,544</u>
EQUITY					
Reserves		5,129,222	1,829,222	2,690,577	1,040,577
General funds/retained earnings	10A	1,213,363	1,650,496	(104,216)	190,967
TOTAL EQUITY		<u>6,342,585</u>	<u>3,479,718</u>	<u>2,586,361</u>	<u>1,231,544</u>

The above statement should be read in conjunction with the notes.

**MASTER PAINTERS AUSTRALIA NSW ASSOCIATION INC.
AND ITS CONTROLLED ENTITIES
ABN 18 931 692 913**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	NOTE	Revaluation Reserve \$	General Funds / Retained Earnings \$	Total Equity \$
Consolidated Group				
Balance at 1 January 2021		1,829,222	1,810,240	3,639,462
Surplus / (deficit)		-	(864)	(864)
Other comprehensive income for the year		-	-	-
Prior period adjustment		-	(158,880)	(158,880)
Closing balance as at 31 December 2021	2	<u>1,829,222</u>	<u>1,650,496</u>	<u>3,479,718</u>
Consolidated Group				
Balance at 1 January 2022		1,829,222	1,650,496	3,479,718
Surplus / (deficit)		-	(437,133)	(437,133)
Other comprehensive income for the year		3,300,000	-	3,300,000
Closing balance as at 31 December 2022	2	<u>5,129,222</u>	<u>1,213,363</u>	<u>6,342,585</u>
Parent Entity				
Balance at 1 January 2021		1,040,577	342,653	1,383,230
Surplus / (deficit)		-	7,194	7,194
Other comprehensive income for the year		-	-	-
Prior period adjustment		-	(158,880)	(158,880)
Closing balance as at 31 December 2021	2	<u>1,040,577</u>	<u>190,967</u>	<u>1,231,544</u>
Parent Entity				
Balance at 1 January 2022		1,040,577	190,967	1,231,544
Surplus / (deficit)		-	(295,183)	(295,183)
Other comprehensive income for the year		1,650,000	-	1,650,000
Closing balance as at 31 December 2022	2	<u>2,690,577</u>	<u>(104,216)</u>	<u>2,586,361</u>

The above statement should be read in conjunction with the notes.

**MASTER PAINTERS AUSTRALIA NSW ASSOCIATION INC.
AND ITS CONTROLLED ENTITIES
ABN 18 931 692 913
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	NOTE	Consolidated group		Parent Entity	
		2022	2021	2022	2021
Operating Activities		\$ -	\$ -	\$ -	\$ -
Cash received					
Receipts from customers		214,106	246,059	213,219	311,399
Receipts from Government		83,241	230,412		41,304
Receipt from other reporting units		762,984	1,241,867	74,306	-
Recovery of wages			-	-	-
		<u>1,060,331</u>	<u>1,718,338</u>	<u>287,525</u>	<u>352,703</u>
Cash used					
Payments to Employees & Suppliers		(1,509,977)	(1,666,693)	(673,550)	(302,047)
Payments to other reporting units		-	-	-	-
Net cash from/(used by)					
operating activities	12A	<u>(449,646)</u>	<u>51,645</u>	<u>(386,025)</u>	<u>50,655</u>
Investing Activities					
Cash received					
Proceeds from sale of plant and equipment		-	-	-	-
Cash used					
Purchase of plant and equipment		-	-	-	-
Other		-	-	-	-
Net cash from/(used by)					
investing activities		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financing Activities					
Cash received					
Advances from MPGTC		-	-	-	-
Net cash provided by /(used by)					
financing activities		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase /(decrease) in cash held		(449,646)	51,645	(386,025)	50,655
Cash and cash equivalent at the beginning of the reporting period		594,569	542,924	407,325	356,670
Cash and cash equivalent at the end of the reporting period	6A	<u>144,923</u>	<u>594,569</u>	<u>21,300</u>	<u>407,325</u>

The above statement should be read in conjunction with the notes.

**MASTER PAINTERS AUSTRALIA NSW ASSOCIATION INC.
AND ITS CONTROLLED ENTITIES
ABN 18 931 692 913
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**MASTER PAINTERS AUSTRALIA NSW ASSOCIATION INC.
AND ITS CONTROLLED ENTITIES
ABN 18 931 692 913
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation of the Financial Statements

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

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

1.2 Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Association and entities controlled by the Association. Control exists where the Association has the capacity to dominate the decision making in relation to the financial and operating policies of another entity so that the other entity operates with the Association to achieve the objectives of the Association.

A list of controlled entities is detailed in Note 10 to the financial statements. All controlled entities have a June year end.

All inter-group balances and transactions between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation.

1.2 Going concern

The Master Painters Australia NSW Association Inc is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The Master Painters Australia NSW Association Inc has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis

1.3 Comparative amounts

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

1.4 Significant accounting judgements and estimates

The entity has made no accounting assumptions or estimates that have a significant risk causing a material adjustment to the carrying amounts of assets and liabilities.

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1.5 New Australian Accounting Standards

Adoption of New Australian Accounting Standards and amendments

No accounting standard has been adopted earlier than the application date stated in the standard. The accounting policies are consistent with those of the previous year.

Future Australian Accounting Standards

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 association include:

AASB 2020-3 Amendments to AASBs – Annual Improvements 2018-2020 and Other Amendments

This Standard amends:

- the application of AASB 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences;
- AASB 3 to update references to the Conceptual Framework for Financial Reporting;
- AASB 9 to clarify when the terms of a new or modified financial liability are substantially different from the terms of the original financial liability;
- AASB 116 to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset;
- AASB 137 to specify the costs that an entity includes when assessing whether a contract will be loss-making; and
- AASB 141 to align the fair value measurement requirements in AASB 141 with those in other Australian Accounting Standards.

The reporting unit does not expect the adoption of these amendments to have an impact on its financial statements.

AASB 2020-1 Amendments to AASBs – 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. This Standard applies to annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted.

The reporting unit expects more disclosures in future years but does not expect the adoption of this amendment to have a material impact on its financial statements.

AASB 2021-2 Amendments to AASBs - Disclosure of Accounting Policies and Definition of Accounting Estimates

This Standard amends:

- AASB 7, to clarify that information about measurement bases for financial instruments is expected to be entity's financial statements;

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- AASB 101, to require entities to disclose their material accounting policy information rather than their significant accounting policies;
- AASB 108, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates;
- AASB 134, to identify material accounting policy information as a component of a complete set of financial statements; and
- AASB Practice Statement 2, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.
- Additional conforming amendments to AASB 1049, AASB 1054, and AASB 1060 were made by AASB 2021-6.

The reporting unit expects more disclosures in future years but does not expect the adoption of this amendment to have a material impact on its financial statements.

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

The Master Painters Australia NSW Association Inc did not acquired 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 Act

1.7 Current versus non-current classification

Master Painters Australia NSW Association Inc. 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.

The Master Painters Australia NSW Association Inc. classifies all other liabilities as non-current.

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1.8 Revenue

The Master Painters Australia NSW Association Inc. enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, Job keeper funding, cost recovery and subscriptions

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 Master Painters Australia NSW Association Inc. has a contract with a customer, the Association recognises revenue when or as it transfers control of goods or services to the customer. The Master Painters Australia NSW Association Inc. 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 of contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Master Painters Australia NSW Association Inc.

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

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

For member subscriptions paid annually in advance, the Master Painters Australia NSW Association Inc. 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.

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

Rental income

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

1.9 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 in the circumstances set up below.

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

Master Painters Australia NSW Association Inc. 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. Master Painters Australia NSW Association Inc. 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.

1.10 Borrowing costs

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

1.11 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes 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 are shown within short-term borrowings in current liabilities on the

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consolidated statement of financial position.

1.12 Financial instruments

Financial assets and financial liabilities are recognised when Master Painters Australia NSW Association Inc. becomes a party to the contractual provisions of the instrument.

1.13 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 can not 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.

1.14 Land, Buildings, Plant and Equipment

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, land and buildings 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, in all cases, the 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. The useful lives are assessed annually.

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	2022	2021
Land & buildings	not assessed	not assessed
Plant and equipment	5 years	5 years

1.15 Taxation

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

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

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

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

2 Restatement of revenue from customers (Sponsorship and memberships)

Events after the reporting period - AASB 110

During the financial year sponsorship income for the events to place during the 2018 to 2020 cancelled due to COVID-19 meetings and gathering restrictions were credited and not scheduled

Prior Period restatement - AASB 108

As a consequence of the raising the credit notes and membership received in advance, there has been an overstatement of a material sum of the result for year ended 31 December 2021. As such there has been a correction, restating the effective financial statements line item for prior period in accordance with AASB 108, Accounting Policies, Changes in Accounting Policies, Changes in Accounting Estimates and Errors.

Consolidated Group	Opening Accumulated Funds	Surplus Period ended 31/12/2021	Total
Financial year ended 31 December 2021			
The Statement of Change of Funds adjusted and restated.			
Accumulated Funds at 01 January, 2021	3,639,462	(159,744)	3,479,718
Financial year ended 31 December 2021			
Statement of Profit & Loss and Other Comprehensive Income	Previously Reported	Adjusted	Restated
	(864)		(864)
Sponsorship refunded		(38,945)	(38,945)
Membership credit notes		(27,597)	(27,597)
Membership income received in advance		(106,019)	(106,019)
Membership credit notes Opening adjustment		21,681	21,681
Audit fees		(8,000)	(8,000)
Adjusted Profit & Loss & Comprehensive Income for period.	(864)	(158,880)	(159,744)

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Financial Position - adjusted and restated	Previously Reported	Adjustment	Restated
Net Assets/Deficit	3,638,598		
Receivables		(51,515)	(51,515)
GST Payables		6,654	6,654
Accrued audit fees		(8,000)	(8,000)
Deferred income		(106,019)	(106,019)
Net Assets	<u>3,638,598</u>	<u>(158,880)</u>	<u>3,479,718</u>
Total Funds	<u>3,638,598</u>	<u>(158,880)</u>	<u>3,479,718</u>
Parent Entity	Opening Accumulated Funds	Surplus Period ended 31/12/2021	Total
Financial year ended 31 December 2021	Financial year ended 31 December 2021	Financial year ended 31 December 2021	Financial year ended 31 December 2021
The Statement of Change of Funds adjusted and restated.			
Accumulated Funds at 01 January, 2021	<u>1,383,230</u>	<u>(151,686)</u>	<u>1,231,544</u>
Financial year ended 31 December 2021	Previously Reported	Adjusted	Restated
Statement of Profit & Loss and Other Comprehensive Income	Reported		
	7,194		7,194
Sponsorship refunded		(38,945)	(38,945)
Membership credit notes		(27,597)	(27,597)
Membership income received in advance		(106,019)	(106,019)
Membership doubtful debt provision		21,681	21,681
Audit fees		(8,000)	(8,000)
Adjusted Profit & Loss & Comprehensive Income for period.	<u>7,194</u>	<u>(158,880)</u>	<u>(151,686)</u>
Financial Position - adjusted and restated	Previously Reported	Adjustment	Restated
Net Assets/Deficit	1,390,424		
Receivables		(51,515)	(51,515)
GST Payables		6,654	6,654
Accrued audit fees		(8,000)	(8,000)
Deferred income		(106,019)	(106,019)
Net Assets	<u>1,390,424</u>	<u>(158,880)</u>	<u>1,231,544</u>
Total Funds	<u>1,390,424</u>	<u>(158,880)</u>	<u>1,231,544</u>

3 Events after the reporting period

The Directors have entered into a contract on 12 July 2023 to sell the existing premises at 4-6 Gould Street, Strathfield South NSW 2136 and settled on 16 October 2023. The property is 50% jointly owned with MPGTC Pty Ltd, and the share of the proceeds were \$3,187,500

The sale of the premises is a component of the strategic plan to relocate the operations to a centralised and accessible training facility in western Sydney.

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As a result of this strategic plan the company has entered into contract on 11 September 2023 for purchase of new premises for \$3,474,000 at Unit 2/1, 3 Holbeche Road, Arndell Park NSW 2148 and settled on 10 January 2024. The property is 50% jointly owned with MPGTC Pty Ltd, and the share of the proceeds were \$1,737,000

4 Revenue and income

Disaggregation of revenue from contracts with customers

A disaggregation of Master Painters Australia NSW Association Inc. 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	Consolidated group		Parent Entity	
	2022	2021	2022	2021
	\$	\$	\$	\$
Members	120,646	231,096	120,646	231,096
Host employer	681,250	965,041	-	-
Government	83,241	230,412	-	-
Other parties	-	-	-	-
Total revenue from contracts with customers	885,137	1,426,549	120,646	231,096

Disaggregation of income for furthering activities

A disaggregation of Master Painters Australia NSW Association Inc. 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 income by funding source

Income funding sources

Members	-	-	-	-
Other reporting units	-	-	-	-
Government	-	-	-	-
Other parties	-	-	-	-
Total income for furthering activities	-	-	-	-

4A Capitation fees and other revenue from another reporting unit

Capitation fees

Subtotal capitation fees	-	-	-	-
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Other revenue from another reporting unit

Subtotal other revenue from another reporting unit	-	-	-	-
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Total capitation fees and other revenue from another reporting unit

-	-	-	-
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	Consolidated group		Parent Entity	
	2022	2021	2022	2021
	\$	\$	\$	\$
4B Levies				
Total levies	-	-	-	-
4C Grants or donations				
Grants	-	-	-	-
Donations	-	-	-	-
Total grant or donation	-	-	-	-
4D Income recognised from volunteer services				
Amounts recognised from volunteer services	-	-	-	-
Total income recognised from volunteer services	-	-	-	-
4E Income recognised from transfers to enable Master Painters Australia NSW Association Inc. to acquire or construct a recognisable non-financial asset to be controlled by Master Painters Australia NSW Association Inc.				
Amount recognised from financial asset transfers	-	-	-	-
Total income recognised from transfers	-	-	-	-
4F Net gains from sale of assets				
Land and buildings	-	-	-	-
Plant and equipment	-	-	-	-
Intangibles	-	-	-	-
Other	-	1,204	-	-
Total net gain from sale of assets	-	1,204	-	-
4G Revenue from recovery of wages activity				
Amounts recovered from employers in respect of wages	-	-	-	-
Interest received on recovered money	-	-	-	-
Total revenue from recovery of wages activity	-	-	-	-
4H Investment income				
Interest				
Deposits	128	6	-	-
Loans	-	-	-	-
Debt instruments at fair value through other comprehensive income	-	-	-	-
Dividends	-	-	-	-
Total investment income	128	6	-	-

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	Consolidated group		Parent Entity	
	2022	2021	2022	2021
4I Rental income	\$	\$	\$	\$
Properties	3,240	-	3,240	-
Total rental income	<u>3,240</u>	<u>-</u>	<u>3,240</u>	<u>-</u>
4J Other income				
COVID-19 JobKeeper Funding	-	72,000	-	18,000
COVID-19 Job Saver Funding	-	160,912	-	23,304
Sponsorship	-	41,000	-	41,000
Shared cost of staff	-	-	34,000	80,000
Sales of goods (net)	(39,202)	(4,227)	(39,202)	(4,227)
Rendering of services	-	-	-	-
Provision writeback	110,437	-	69,137	-
Commissions	4,740	1,740	4,740	1,740
Sundry income	2,391	5,395	2,391	3,348
Total other income	<u>78,366</u>	<u>276,820</u>	<u>71,066</u>	<u>163,165</u>
5 EXPENSES				
5A Employee expenses				
Holders of office:				
Wages and salaries	-	-	-	-
Superannuation	-	-	-	-
Leave and other entitlements	-	-	-	-
Separation and redundancies	-	-	-	-
Other employee expenses	-	-	-	-
Subtotal employee expenses holders of office	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Employees other than office holders:				
Wages and salaries	904,317	1,126,606	242,362	215,258
Superannuation	82,345	105,386	17,883	21,375
Leave and other entitlements	4,787	20,965	4,787	11,417
Separation and redundancies	-	-	-	-
Other employee expenses	39,074	234,283	3,482	829
Subtotal employee expenses employees other than office holders	<u>1,030,523</u>	<u>1,487,240</u>	<u>268,514</u>	<u>248,879</u>
Total employee expenses	<u>1,030,523</u>	<u>1,487,240</u>	<u>268,514</u>	<u>248,879</u>

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	Consolidated group		Parent Entity	
	2022	2021	2022	2021
	\$	\$	\$	\$
5B Capitation fees and other expense to another reporting unit				
Capitation fees	-	-	-	-
Subtotal capitation fees	-	-	-	-
Other expense to another reporting unit	-	-	-	-
Subtotal other expense to another reporting unit	-	-	-	-
Total capitation fees and other expense to another reporting unit	-	-	-	-
5C Affiliation fees				
Total affiliation fees/subscriptions	-	-	-	-
5D Administration expenses				
Consideration to employers for payroll deductions	-	-	-	-
Compulsory levies	-	-	-	-
Fees/allowances - meeting and conferences	-	-	-	-
Subscriptions	2,378	5,425	1,280	2,725
Conference and meeting expenses	-	228	-	-
Contractors/consultants	-	-	-	-
Property expenses	-	-	-	-
Office expenses	102,918	90,877	62,069	60,168
Information communications and technology	40,815	26,398	14,915	9,547
Other	-	-	-	-
Subtotal administration expense	146,111	122,928	78,264	72,440
Lease rentals	-	-	-	-
Short term, low value and variable lease	-	-	-	-
Total administration expenses	-	-	-	-
5E Grants or donations				
Grants				
Total expensed that were \$1,000 or less	-	-	-	-
Total expensed that exceeded \$1,000	-	-	-	-
Donations				
Total expensed that were \$1,000 or less	-	-	-	-
Total expensed that exceeded \$1,000	-	-	-	-
Total grants or donations	-	-	-	-

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	Consolidated group		Parent Entity	
	2022	2021	2022	2021
5F Depreciation and amortisation	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Depreciation				
Land and buildings	-	-	-	-
Property, plant and equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amortisation				
Intangibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total amortisation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total depreciation and amortisation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
5G Finance costs				
Overdrafts/loans	-	-	-	-
Unwinding of discount	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total finance costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
5H Legal costs				
Litigation	-	-	-	-
Other legal matters	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total legal costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
5I Write-down and impairment of assets				
Asset write-downs and impairments of:				
Land and buildings	-	-	-	-
Plant and equipment	-	-	-	-
Intangible assets	-	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total write-down and impairment of assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
5J Net losses from sale of assets				
Land and buildings	-	-	-	-
Plant and equipment	-	-	-	-
Intangibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net losses from asset sales	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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	Consolidated group		Parent Entity	
	2022	2021	2022	2021
	\$	\$	\$	\$
5K Other Expenses				
Penalties - via RO Act or RO Regulation	-	-	-	-
Advertising & Marketing	29,481	20,660	27,906	18,104
Provision for expected credit losses	57,979	30,590	-	30,590
Write-off	81,100	6,052	81,100	6,052
Accounting fees	15,988	15,835	641	2,714
Awards & presentations	79	4,000		
Merchandise	-	-	-	-
Motor vehicle expenses	-	267	-	55
Training course expenses	1,848	1,760	-	200
Travelling & entertainment	1,231	111	546	33
Sponsorship refund	15,000	-	15,000	-
Sundry expenses	164	-	164	-
Total other expenses	202,870	79,275	125,357	57,748
6 Current Assets				
6A Cash and Cash Equivalent				
Cash at bank	144,923	478,938	21,300	407,325
Cash on hand	-	-	-	-
Short term deposits	-	115,631	-	-
Other	-	-	-	-
Total Cash and cash equivalent	144,923	594,569	21,300	407,325
6B Trade and Other Receivables				
Current				
Receivable from other reporting units	-	-	-	-
Less allowance for expected credit losses	-	-	-	-
Receivable from other reporting unit(s) (net)	-	-	-	-
Receivables from membership and training	21,100	164,131	21,100	164,131
Less allowance for expected credit losses	-	(25,997)	-	(25,997)
Receivables from membership and training (net)	21,100	138,134	21,100	138,134

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	Consolidated group		Parent Entity	
	2022	2021	2022	2021
	\$	\$	\$	\$
Receivables from apprenticeship	121,878	208,096	-	-
Less allowance for expected credit losses	(59,480)	(121,465)	-	-
Receivables from apprenticeship (net)	<u><u>62,398</u></u>	<u><u>86,631</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Other receivables				
GST receivable	23,348	-	-	-
Other	1,150	601	551	-
Total trade and other receivables (net)	<u><u>107,996</u></u>	<u><u>225,366</u></u>	<u><u>21,651</u></u>	<u><u>138,134</u></u>

The movement in the allowance for expected credit losses of trade and other receivables is as follows

At 1 January	147,460	11,036	25,997	11,036
Provision for expected credit losses	(65,157)	102,955	(8,909)	8,909
Write-off	(44,106)	33,469	(17,088)	6,052
At 31 December	<u><u>38,197</u></u>	<u><u>147,460</u></u>	<u><u>-</u></u>	<u><u>25,997</u></u>

Master Painters Australia NSW Association Inc. has recognised the following assets and liabilities related to contracts with customers:

Receivables	<u><u>107,996</u></u>	<u><u>138,134</u></u>	<u><u>21,651</u></u>	<u><u>138,134</u></u>
Receivables – current	107,996	225,366	21,651	138,134
Receivables – non-current	-	-	-	-
Contract assets	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Contract assets – current	-	-	-	-
Contract assets – non-current	-	-	-	-
Other contract liabilities	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Contract liabilities – current	-	-	-	-
Contract liabilities – non-current	-	-	-	-

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7 Non Current Assets

7A Property, Plant and Equipment

	Land	Buildings	Plant and Equipment	Total
Consolidated Group				
2022	\$	\$	\$	\$
Property, Plant and Equipment carrying amount	3,715,000	2,585,000	-	6,300,000
accumulated depreciation	-	-	-	-
Total Property, Plant and Equipment	3,715,000	2,585,000	-	6,300,000

Reconciliation of opening and closing balances of property, plant and equipment

Net book value 1 January 2022	1,390,000	1,610,000	-	3,000,000
Additions:				
By purchase	-	-	-	-
Revaluations	2,325,000	975,000	-	3,300,000
Impairments	-	-	-	-
Depreciation expense	-	-	-	-
Other movement	-	-	-	-
Disposals:				
Other	-	-	-	-
Net book value 31 December 2022	3,715,000	2,585,000	-	6,300,000

Net book value as of 31 December 2022 represented by:

Gross book value	3,715,000	2,585,000	-	6,300,000
Accumulated depreciation and impairment	-	-	-	-
Net book value 31 December 2022	3,715,000	2,585,000	-	6,300,000

	Land	Buildings	Plant and Equipment	Total
Consolidated Group				
2021	\$	\$	\$	\$
Property, Plant and Equipment carrying amount	1,390,000	1,610,000	7,224	3,007,224
accumulated depreciation	-	-	(7,224)	(7,224)
Total Property, Plant and Equipment	1,390,000	1,610,000	-	3,000,000

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Reconciliation of opening and closing balances of property, plant and equipment

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
Net book value 1 January 2020	1,390,000	1,610,000	7,224	3,007,224
Additions:				
By purchase	-	-	-	-
Revaluations	-	-	-	-
Impairments	-	-	-	-
Depreciation expense	-	-	(7,224)	(7,224)
Other movement	-	-	-	-
Disposals:	-	-	-	-
Other	-	-	-	-
Net book value 31 December 2021	1,390,000	1,610,000	-	3,000,000
Net book value as of 31 December 2021 represented by:				
Gross book value	1,390,000	1,610,000	36,120	3,000,000
Accumulated depreciation and impairment	-	-	(36,120)	-
Net book value 31 December 2021	1,390,000	1,610,000	-	3,000,000

The revalued land & buildings consist of \$6,300,000, Management determined that these constitute one class of Asset under AASB 13, based on the nature, characteristics and risks of the property.

The land and building is situated at 4-6 Gould Street, South Strathfield NSW 2136. The Master Painters Australia NSW Association Inc (MPA) has a 50% equitable interest in the property along with MPGTC Pty Limited. The property was purchased on 13 April 2004 for the total cost of \$1,700,000 and is registered in the names of both the companies and MPA as tenants in common and in equal shares.

A revaluation of land & buildings were carried out at 31 December, 2022. The valuation were based on current land values supplied by the NSW Valuer General and the sale of nearby properties. The valuation was made in accordance with regular policy to revalue land & building. The land was value at \$3,715,000 and the building at \$2,585,000 (MPA 50% \$3,150,000)

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
Parent entity				
2022				
Property, Plant and Equipment				
carrying amount	1,857,500	1,292,500	-	3,150,000
accumulated depreciation	-	-	-	-
Total Property, Plant and Equipment	1,857,500	1,292,500	-	3,150,000

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Reconciliation of opening and closing balances of property, plant and equipment

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
Net book value 1 January 2021	695,000	805,000	-	1,500,000
Additions:				
By purchase	-	-	-	-
Revaluations	1,162,500	487,500	-	1,650,000
Impairments	-	-	-	-
Depreciation expense	-	-	-	-
Other movement	-	-	-	-
Disposals:				
Other	-	-	-	-
Net book value 31 December 2022	1,857,500	1,292,500	-	3,150,000

Net book value as of 31 December 2022 represented by:

Gross book value	1,857,500	1,292,500	-	3,150,000
Accumulated depreciation and impairment	-	-	-	-
Net book value 31 December 2022	1,857,500	1,292,500	-	3,150,000

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
Parent entity				
2021				
Property, Plant and Equipment carrying amount	695,000	805,000	7,224	1,507,224
accumulated depreciation	-	-	(7,224)	(7,224)
Total Property, Plant and Equipment	695,000	805,000	-	1,500,000

Reconciliation of opening and closing balances of property, plant and equipment

Net book value 1 January 2020	695,000	805,000	7,224	1,507,224
Additions:				
By purchase	-	-	-	-
Revaluations	-	-	-	-
Impairments	-	-	-	-
Depreciation expense	-	-	(7,224)	(7,224)
Other movement	-	-	-	-
Disposals:				
Other	-	-	-	-
Net book value 31 December 2021	695,000	805,000	-	1,500,000

Net book value as of 31 December 2021 represented by:

Gross book value	695,000	805,000	36,120	1,500,000
Accumulated depreciation and impairment	-	-	(36,120)	-
Net book value 31 December 2021	695,000	805,000	-	1,500,000

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	Consolidated group		Parent Entity	
	2022	2021	2022	2021
	\$	\$	\$	\$
7B Other Non-Current Assets				
Investments				
Shares in MGA Services NSW Pty L	1,000	1,000	1,000	1,000
Shares in PITC3	-	-	1	1
Total other current assets	<u>1,000</u>	<u>1,000</u>	<u>1,001</u>	<u>1,001</u>
8 Current Liabilities				
8A Trade payable				
Trade creditors and accruals	75,914	64,159	21,834	20,371
Subtotal trade creditors	<u>75,914</u>	<u>64,159</u>	<u>21,834</u>	<u>20,371</u>
Payables to other reporting units	-	-	-	-
Subtotal payables to other reporting units	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total trade payables	<u>75,914</u>	<u>64,159</u>	<u>21,834</u>	<u>20,371</u>
Settlement is usually made within 30 days.				
8B Other payables				
Wages and salaries	-	24,582	-	24,582
Superannuation	10,495	12,415	4,662	4,662
Payable to employers for making payroll deductions of Membership subscriptions	-	-	-	-
Legal costs				
Litigation	-	-	-	-
Other legal costs	-	-	-	-
GST payable	5,349	11,716	5,349	11,716
Bond	1,080	-	1,080	-
Other payables	5,381	13,087	48	13,085
Total other payables	<u>22,305</u>	<u>61,800</u>	<u>11,139</u>	<u>54,045</u>
Total other payables are expected to be settled in:				
No more than 12 months	22,305	61,800	11,139	54,045
More than 12 months	-	-	-	-
Total other payables	<u>22,305</u>	<u>61,800</u>	<u>11,139</u>	<u>54,045</u>

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	Consolidated group		Parent Entity	
	2022	2021	2022	2021
	\$	\$	\$	\$
8C Contract liabilities				
Deferred income				
Membership income received in advance	82,109	106,019	82,109	106,019
	<u>82,109</u>	<u>106,019</u>	<u>82,109</u>	<u>106,019</u>
9 Provisions				
9A Employee provisions				
Office holders				
Annual leave	-	-	-	-
Long service leave	-	-	-	-
Separations and redundancies	-	-	-	-
Other	-	-	-	-
Subtotal employee provisions - office holders	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Employees other than office holders				
Annual leave	31,006	77,170	7,768	40,049
Long service leave	-	32,069	-	32,069
Separations and redundancies	-	-	-	-
Other	-	-	-	-
Subtotal employee provisions - employees other than office holders	<u>31,006</u>	<u>109,239</u>	<u>7,768</u>	<u>72,118</u>
Total employee provision	<u>31,006</u>	<u>109,239</u>	<u>7,768</u>	<u>72,118</u>
Current	31,006	77,170	7,768	40,049
Non-current	-	32,069	-	32,069
Total employee provisions	<u>31,006</u>	<u>109,239</u>	<u>7,768</u>	<u>72,118</u>
10 Other funds				
10A Other funds				
Compulsory levy/voluntary contribution fund				
Balance as at start of year	-	-	-	-
Transferred to fund, account or contro	-	-	-	-
Transferred out of fund, account or controlled entity	-	-	-	-
Balance as at end of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total compulsory levy/voluntary contribution fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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	Consolidated group		Parent Entity	
	2022	2021	2022	2021
Other funds required by rules	\$	\$	\$	\$
Asset revaluation reserve				
Balance as at start of year	1,829,222	1,829,222	1,040,577	1,040,577
Transferred to reserve	3,300,000	-	1,650,000	-
Transferred out of reserve	-	-	-	-
Balance as at end of year	<u>5,129,222</u>	<u>1,829,222</u>	<u>2,690,577</u>	<u>1,040,577</u>

11 Controlled entities	Country of Incorporation	Percentage Controlled	
		2022	2021
		\$	\$
Master Painters Group Training Company Limited	Australia	100%	100%
MPGTC Pty Ltd	Australia	100%	100%
Painting Industry Training Centre Pty Limited (PITC3)	Australia	100%	100%

12 Cash Flow

12A Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per statement of financial position to statement of cash flow

Cash and cash equivalents as per:

Statement of cash flow	144,923	594,569	21,300	407,325
Statement of financial position	<u>144,923</u>	<u>594,569</u>	<u>21,300</u>	<u>407,325</u>
Difference	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Reconciliation of profit/(deficit) to net cash from operating activities:

Surplus/(deficit) for the year	(437,133)	(864)	1,354,817	7,194
Adjustments for non-cash items				
Depreciation/amortisation	-	7,224	-	7,224
Net write-down of non-financial assets				
Fair value movements in investment property			(1,650,000)	
Gain on disposal of assets	-	-	-	-
Prior period adjustment	-	(128,190)	-	(128,190)

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Cash Flow Reconciliation (Continue)

Changes in assets/liabilities

(Increase)/decrease in net receivables	117,370	67,824	116,483	(3,253)
(Increase)/decrease in prepayment	-	-	-	-
Increase/(decrease)in supplier payables	11,755	9,602	1,463	(2,719)
Increase/(decrease)in other payables	(39,495)	(245)	(120,528)	76,322
Increase/(decrease)in deferred income	(23,910)	106,019	(23,910)	82,660
Increase/(decrease)in employee provision	(78,233)	20,965	(64,350)	11,417
Increase/(decrease)in other provisions	-	-	-	-
Net cash from/(used by) operating activities	<u>(449,646)</u>	<u>82,335</u>	<u>(386,025)</u>	<u>50,655</u>
Cash flow information	<u>(449,646)</u>	<u>\$1,645</u>	<u>(386,025)</u>	<u>50,655</u>

13 Contingent Liabilities, Assets and Commitments

13A Commitments and contingencies

The entity has no operating/finance lease commitments.

(a) Capital expenditure commitments

At reporting date, the company has entered into contract on 11 September 2023 for purchase of Land and Building on \$3,474,000 at Unit 2/1, 3 Holbeche Road, Arndell Park NSW 2148 and settled on 10 January 2024, has not been provided for in the financial report.

(b) Contingencies

There are no contingent liabilities that have been incurred by the company and the directors are not aware of any contingent liabilities which could affect future results.

14 Related Party Disclosures

14A Related Party Transactions for the Reporting Period

Master Painters Australia NSW Association Inc. controls Master Painters Group Training Co Pty Limited (MPGTC)

The following table provides the total amount of transactions that have been entered into with related parties, MPGTC for the year ended 31 December, 2022. The Master Painters Association Inc., own jointly and occupy the property at 1 Gould Street, Enfield, no rent is paid by either party to the other and expenditure on the property is shared.

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	Consolidated group		Parent Entity	
	2022	2021	2022	2021
	\$	\$	\$	\$
Revenue received from:	-	-	-	-
Expenses paid to:	-	-	-	-
Loans from:	-	-	-	-
Loans to:	-	-	-	-
Other amounts owed by:	-	-	-	-
Other amounts owed to:				
MPGT	-	-	484,741	562,363
Assets transferred from:	-	-	-	-
Assets transferred to:	-	-	-	-

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2022, the Master Painters Australia NSW Association Inc. has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2021: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The amount due to MPGT are without terms and is interest free.

14B Key Management Personnel Remuneration for the Reporting Period

Short-term employee benefits

Salary (including annual leave taken)	64,136	154,310	64,136	154,310
Other	-	-	-	-
Total short-term employee benefits	<u>64,136</u>	<u>154,310</u>	<u>64,136</u>	<u>154,310</u>

Post-employment benefits

Superannuation	6,688	15,141	6,688	15,141
Total post-employment benefits	<u>6,688</u>	<u>15,141</u>	<u>6,688</u>	<u>15,141</u>

Other long-term benefits

Long service leave	-	-	-	-
Total other long-term benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Termination benefits

	-	-	-	-
Total	<u>70,824</u>	<u>169,451</u>	<u>70,824</u>	<u>169,451</u>

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	Consolidated group		Parent Entity	
	2022	2021	2022	2021

14C Transactions with key management personnel and their close family members

No other transactions occurred during the year with Management Committee, close family members or other related parties than those related to their membership or employment and members or other related parties than those related to their membership or employment and on terms no more favourable than those applicable to any other member of employee.

Key Management Personnel

Key Management Personnel comprise those individuals who have the authority and responsibility for planning, directing and controlling the activities of the Association.

15 Remuneration of Auditors

Value of the services provided

Financial statement audit services 2020	-	8,000	-	8,000
Financial statement audit services 2021	500	8,000	-	-
Financial statement audit services 2022	19,500	-	13,500	-
Other services	4,500	-	4,500	-
Total remuneration of auditors	24,500	16,000	18,000	8,000

No other services were provided by the auditors of the financial statements.

16 Financial Instruments

The Association's financial instruments consist mainly of cash at bank, receivables and payables. The totals for each category of financial instruments, measured in accordance with AASB 7 are as follows

	Consolidated group		Parent Entity	
	2022	2021	2022	2021
Financial Assets	\$	\$	\$	\$
Cash at Bank Note 6A	144,923	594,569	21,300	407,325
Receivables Note 6B	107,996	225,366	21,651	138,134
Total Financial Assets	252,919	819,935	42,951	545,459
Financial Liabilities				
Trade Payables Note 8A	75,914	64,159	21,834	20,371
Other Payables Note 8B	22,305	61,800	11,139	54,045
Contract liabilities Note 8C	82,109	106,019	82,109	106,019
Loan from MPGTC Pty Ltd Note 14	-	-	484,741	562,363
Total Financial Liabilities	180,328	231,978	599,823	742,798

Financial risk and management objectives.

The incorporated association's activities do not expose it to many financial risk, with only liquidity risk being needed to actively managed.

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16 Financial Instruments (continued)

(a) Credit Risk

Exposure to credit risk relating to financial asset is not significant
Trade and other receivables are aggregated at Note 5B

(b) Exchange Rate Risk Exposures

There were no financial assets or liabilities determined in foreign currencies and accordingly the association does not carry any currency risk.

The association has no significant concentration of credit risk exposure to any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 5B

(c) Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(d) Liquidity Risk

Liquidity risk arises from the possibility that the association might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The association manages this risk by maintain adequate cash reserves by continually monitoring actual and forecasting cash flows.

Consolidated Group

Contractual maturities for financial liabilities 2022

	Within 1 year	1-5 years	> 5 years	Total
Trade Payables	75,914	-	-	75,914
Other Payables	-	22,305	-	22,305
Contract liabilities	82,109	-	-	82,109
Loan MPGTC Pty Ltd	-	-	-	-
Total	158,023	22,305	-	180,328

Contractual maturities for financial liabilities 2021

	Within 1 year	1-5 years	> 5 years	Total
Trade Payables	64,159	-	-	64,159
Other Payables	-	61,800	-	61,800
Contract liabilities	-	82,660	-	82,660
Loan MPGTC Pty Ltd	-	-	-	-
Total	64,159	144,460	-	208,619

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Parent entity

Contractual maturities for financial liabilities 2022

	Within 1 year	1-5 years	> 5 years	Total
Trade Payables	21,834	-	-	21,834
Other Payables	-	11,139	-	11,139
Contract liabilities	82,109	-	-	82,109
Loan MPGTC Pty Ltd	-	-	484,741	484,741
Total	103,943	11,139	484,741	599,823

Contractual maturities for financial liabilities 2021

	Within 1 year	1-5 years	> 5 years	Total
Trade Payables	20,371	-	-	20,371
Other Payables	-	54,045	-	54,045
Contract liabilities	-	82,660	-	82,660
Loan MPGTC Pty Ltd	-	-	562,363	562,363
Total	20,371	136,705	562,363	719,439

17 Fair value measurements

17A Financial assets and liabilities

Consolidated Group

	Carrying amount		Fair value	
	2022	2022	2021	2021
Financial Assets	\$	\$	\$	\$
Cash at Bank	144,923	144,923	594,569	594,569
Receivables	107,996	107,996	225,366	225,366
Total Financial Assets	252,919	252,919	819,935	819,935

	Carrying amount		Fair value	
	2022	2022	2021	2021
Financial Liabilities	\$	\$	\$	\$
Trade Payables	75,914	75,914	64,159	64,159
Other Payables	22,305	22,305	61,800	61,800
Contract liabilities	82,109	82,109	82,660	82,660
Loan from MPGTC Pty Ltd	-	-	-	-
Total Financial Liabilities	180,328	180,328	208,619	208,619

Parent entity

	Carrying amount		Fair value	
	2022	2022	2021	2021
Financial Assets	\$	\$	\$	\$
Cash at Bank	21,300	21,300	407,325	407,325
Receivables	21,100	21,100	138,134	138,134
Total Financial Assets	42,400	42,400	545,459	545,459

**MASTER PAINTERS AUSTRALIA NSW ASSOCIATION INC.
AND ITS CONTROLLED ENTITIES
ABN 18 931 692 913**

**NOTES TO THE FINANCIAL STATEMENTS
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17A Financial assets and liabilities (continued)

	Carrying amount		Fair value		Carrying amount		Fair value	
	2022	2022	2021	2021	2021	2021	2021	2021
	\$	\$	\$	\$	\$	\$	\$	\$
Financial Liabilities								
Trade Payables	21,834	21,834	20,371	20,371	20,371	20,371	20,371	20,371
Other Payables	11,139	11,139	54,045	54,045	54,045	54,045	54,045	54,045
Contract liabilities	69,933	69,933	82,660	82,660	82,660	82,660	82,660	82,660
Loan from MPGTC Pty Ltd	484,741	484,741	562,363	562,363	562,363	562,363	562,363	562,363
Total Financial Liabilities	587,647	587,647	719,439	719,439	719,439	719,439	719,439	719,439

17B Financial and Non- Financial Assets and Liabilities Fair Value Hierarchy

The following tables provide an analysis of financial and non financial assets and liabilities that are measured at fair value, by fair value Hierarchy

Consolidated Group	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets				
Cash at Bank	144,923	-	-	144,923
Receivables	-	107,996	-	107,996
Total Financial Assets	144,923	107,996	-	252,919

Financial Liabilities				
Trade Payables	75,914	-	-	75,914
Other Payables	-	22,305	-	22,305
Contract liabilities	69,933	-	-	69,933
Loan from MPGTC Pty Ltd	-	-	-	-
Total Financial Liabilities	145,847	22,305	-	168,152

Parent entity	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets				
Cash at Bank	21,300	-	-	21,300
Receivables	-	21,100	-	21,100
Total Financial Assets	21,300	21,100	-	42,400

Financial Liabilities				
Trade Payables	21,834	-	-	21,834
Other Payables	-	11,139	-	11,139
Contract liabilities	69,933	-	-	69,933
Loan from MPGTC Pty Ltd	-	484,741	-	484,741
Total Financial Liabilities	91,767	495,880	-	587,647

Level 1: Quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date

**MASTER PAINTERS AUSTRALIA NSW ASSOCIATION INC.
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Level 2: Inputs other than quoted prices included within level 1 that are observable for the assets or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability

18 Administration of financial affairs by a third party

Name of entity providing service: Nil

Terms and conditions:

Nature of expenses/consultancy service:

Detailed breakdown of revenues collected and/or expenses incurred

Revenue	2022	2021
	\$	\$
Membership subscription	-	-
Capitation fees	-	-
Levies	-	-
Interest	-	-
Rental income	-	-
Other revenue	-	-
Grants and/or donations	-	-
Total revenue	<u>-</u>	<u>-</u>
Expenses		
Employee expense	-	-
Capitation fees	-	-
Affiliation fees	-	-
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Administration expenses	-	-
Grants or donations	-	-
Finance costs	-	-
Legal costs	-	-
Audit fees	-	-
Penalties - via RO Act or the Fair Work Act 2009	-	-
Other expenses	-	-
Total expenses	<u>-</u>	<u>-</u>

19 Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or the General Manager:

(1) A member of a reporting unit, or the Commissioner, 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 reporting unit.

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

**DECLARATION OF INDEPENDENCE TO THE MEMBERS OF THE NSW MASTER
PAINTERS ASSOCIATION**

As lead auditor for the audit of the Master Painters Association of NSW for the year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Elvis Kovacic

10 Rocher Avenue
Hunters Hill NSW 2110
AA2022/7

Date: 13 March 2025

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE MASTER PAINTERS
AUSTRALIA NSW ASSOCIATION INC

Report on the Audit of the Financial Report

Qualified Opinion

I have audited the financial report of Master Painters Australia NSW Association Inc. (the “Reporting Unit”) and its subsidiaries (the “Group”), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, the Committee of Management Statement, the subsection 255(2A) report.

In my opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of Master Painters Australia NSW Association Inc., presents fairly, in all material aspects, the financial position as at 31 December 2022, and its financial performance and its cash flows for the year ended on that date in accordance with:

- (a) the Australian Accounting Standards; and
- (b) 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 management’s use of the going concern basis of accounting in preparation of the reporting unit’s financial statements is appropriate.

Basis for Qualified Opinion

I was appointed as auditor of the Reporting Unit for 31 December 2022 under an initial audit engagement following mandatory auditor rotation. The Reporting Unit had not previously prepared consolidated financial reports inclusive of subsidiary entities. Hence, consolidated opening balances have not been audited and only the parent entity was audited by the previous auditor for the year ended 31 December 2021. I was unable to perform sufficient procedures to verify the opening balances of the parent entity given they were based on the financial report audited by the previous auditor. The subsidiary entity, MPGTC Pty Ltd, has not been audited previously for 31 December 2021 and I was unable to satisfy myself by alternative means concerning these opening balances. In view of this, and although I have audited the financial report for the year ended 31 December 2022, I am unable to determine whether the opening balances as at 1 January 2022 are fairly stated.

Since the opening balances as at 1 January 2022 are entered into the determination of the financial position of the Group and of the Reporting Unit as at 31 December 2022, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and financial performance and changes in equity of the Reporting Unit for the financial year ended 31 December 2022, I was unable to determine whether adjustments, if any, might have been necessary in respect of the Group’s and the Reporting Unit’s financial statements for the financial year ended 31 December 2022.

My opinion on the current financial year’s financial statements of the Group and the Reporting Unit is also modified because of the possible effects of these matters on the comparative figures.

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

audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The committee of management is responsible for the other information. The other information comprises the information included in the operating report for the year ended 31 December 2022, but does not include the financial statements, and our auditor's report thereon.

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.

Responsibilities of 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 of the financial report that gives a true and fair view and 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 related 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.

Auditor's Responsibilities for the Audit of the Financial Report

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Unit's internal control.

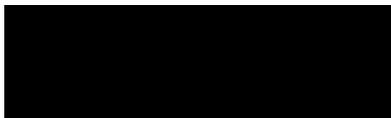
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.
- Conclude on the appropriateness of the committee of management's use of the going concern basis of accounting and, based on the audit 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 in 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 the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

Report on Other Legal and Regulatory Requirements

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

Elvis Kovacic



14th March, 2025

Registration number (as registered by the RO Commissioner under the RO Act): AA2022/7

10 Rocher Avenue,
Hunters Hill NSW 2110