



20 January 2026

Steven Peluso
President
The Master Builders Association of Victoria

Sent via email: companysecretary@mbav.com.au

CC: Corrine.siddles@williambuck.com

Dear Steven Peluso

**The Master Builders Association of Victoria
Financial Report for the year ended 30 June 2025 – FR2025/161**

I acknowledge receipt of the financial report for the year ended 30 June 2025 for the Master Builders Association of Victoria (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 8 December 2025.

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

I make the following comments 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.

1. General Purpose Financial Report (GPFR)

Material expense

Australian Accounting Standard AASB 101 *Presentation of Financial Statements* paragraph 97 requires material items to be presented separately. The Statement of Profit or loss and other comprehensive income discloses 'Administrative expenses' of \$7,278,722, which is a material amount. In future years, this item must be further divided to ensure that any material items within 'Administrative expenses' are separately disclosed and appropriately classified.

Reporting guideline activities not disclosed

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 general purpose financial report 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

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

THE MASTER BUILDERS ASSOCIATION OF VICTORIA

Section 268 *Fair Work (Registered Organisations) Act 2009*

Certificate by prescribed designated officer¹

Certificate for the year ended 30 June 2025

I **STEVEN PELUSO** being the **PRESIDENT** of **THE MASTER BUILDERS ASSOCIATION OF VICTORIA** certify:

- that the documents lodged herewith are copies of the full report for the *Master Builders Association of Victoria* for the period ended 30 June 2025 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on **9 October 2025**; and
- that the full report was presented to *a general meeting of members* of the reporting unit on **26 November 2025** in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



Name of prescribed designated officer: **Steven Peluso**

Title of prescribed designated officer: **President**

Dated: **8/12/2025**

¹ Regulation 162 of the *Fair Work (Registered Organisations) Regulations 2009* defines a 'prescribed designated officer' of a reporting unit for the purposes of section 268(c) as:

- (a) the secretary; or
- (b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

Master Builders Association of Victoria

ACN 004 255 654

Annual Report - 30 June 2025

**Master Builders Association of Victoria
Directors' report
30 June 2025**

The Directors present the financial report on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Master Builders Association of Victoria (referred to hereafter as the 'Association' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

Directors

The names and details of the Directors of Master Builders Association of Victoria in office during the financial year and up to the date of this report, are as follows. Directors were in office for the entire period unless otherwise stated:

Board of Management

Geoffrey Purcell
Lisa Hollingsworth
Gregory Cole
Mark Phillips
Danielle Bartolini
Matthew Gilmour
Raymond French
Stuart Allen

Resigned 18 December 2024

Principal activities

During the financial year, the principal continuing activities of the consolidated entity consisted of providing a range of products and services to members of the building and construction industry including industry advocacy, safety, legal, technical and employment advice, and accredited and non-accredited industry training.

From 1 July 2021, MBA Building Services (MBABS) ceased commencing new projects, including issuing new building permits or any consultancy services to its customers. MBABS will continue to provide contracted services on ongoing projects until completion or until alternate arrangements are agreed upon. MBABS is expected to continue operating until performance obligations under existing contracts are completed and is then intended to exist as a legal entity for a period of time after the completion of the last project to meet specific contractual requirements under the insurance arrangements in place. Discussions occurred with the Victorian Building Authority and will continue with the Building & Plumbing Commission over final arrangements for lapsed permits.

There were no other significant changes to the consolidated entity's principal activities during year.

Financial Results

The consolidated surplus from operating activities for the year was \$3,238,884 (2024: \$2,061,561).

Review of operations

The past year has seen robust activity across the Victorian building and construction sector. Significant challenges remain in the sector, while our members have continued to adapt to the industry conditions. Master Builders Victoria (MBV) has continued evolving to stay at the forefront of the issues our members face to support them effectively. Some of the organisation's key achievements during the period include:

**Master Builders Association of Victoria
Directors' report
30 June 2025**

- Our team has proudly led MBV's 150th anniversary celebrations throughout 2025, recognising this significant milestone by celebrating our members and their contributions across the state. Activities have included member spotlights, special events and a range of initiatives that honour our shared history and ongoing impact on the building and construction industry.
- Enhanced member relationships via events and support programs implemented for increased and improved engagement across metropolitan and regional Victoria.
- Following last year's launch of MBV's eDocs digital contracts system, we continued to expand the offering with the addition of the Cost Plus Contract, giving members greater flexibility and access to streamlined contract solutions.
- MBV released 34 media statements to advocate for our members and raise awareness of key issues across the building and construction industry. We also distributed 345 member communications emails, ensuring members remained informed about industry developments, training opportunities, and major events. To further improve engagement, MBV launched a new EDM format designed to enhance navigation, functionality, and overall user experience.
- Our team posted 1326 social media posts throughout FY25, across LinkedIn, Facebook and Instagram, along with event and awards highlight videos on YouTube.
- Our team delivered targeted TV, radio, and billboard campaigns across regional Victoria and metropolitan Melbourne, focused on encouraging more women and school leavers to join the building and construction industry, while also promoting the value of choosing a Master Builder. The campaigns showcased a wide range of MBV member types and highlighted the diverse projects and services they deliver across the state.
- MBV successfully launched its new website, delivering an improved user experience and easier access to member resources, events, and industry information.
- The newly established Regional Engagement Groups, formerly known as Section Committees, were successfully launched, with inaugural meetings held across regional Victoria to strengthen local connections and member representation.
- Construction commenced at MBV's new Collaboration and Innovation Centre, while planning and preparation continued for the Wodonga office redevelopment project, further strengthening our regional presence and training capability.
- We proudly launched *Women Building Victoria (WBV)* at the Leadership Simulation Centre, marking a significant step in our commitment to increasing female participation and leadership in the building and construction industry.
- Our team continued to lead policy development and government submissions, with a strong emphasis on housing reform and improved contract practices. We supported the wider building and construction industry through targeted events and webinars, offering practical guidance on regulatory changes, contract obligations, and other issues impacting our members across all sectors.
- We have maintained a positive sentiment from team members, with 82% reporting that they were satisfied/very satisfied working for MBV.
- We progressed to the 2nd term of the DEI Strategy and Reconciliation Action Plan. We marked key events such as Pride Month, NAIDOC Week, and other cultural celebrations, creating opportunities for reflection, education, and connection. These initiatives supported a more inclusive environment and highlighted the diversity within our team.
- Following the success of our first survey, MBV conducted the second *Building Diversity Together* Survey across multiple sectors of the Victorian building and construction industry. The findings, published in the accompanying report, provide valuable insights into current human resources and diversity practices among our members.
- Development and pilot of the Navigating Conflict – Managing Psychosocial Hazards course – a simulated program focused on the new Occupational Health and Safety (Psychological Health) Regulations being introduced at the end of 2025, and on how workers can minimise the risk of psychosocial hazards in their workplace.
- Contract variation to extend service agreement to deliver Active Client Training to an additional 276 employees for another 18 months.
- Development of 12 e-learning modules for industry professional development relating to building contracts, the NCC, codes and standards, reading and interpreting plans, and waterproofing.
- Launched MBV Leadership Program for Residential Builders, which included a Residential stream of the Leadership Essentials program or the Dealing with Difficult Situations and People program.

Objectives

The purpose of the Association is to empower people to build a better future. The organisation aims to lead a future-ready industry that builds a better world. Our values are:

- To place members first - all the time, every time;
- To be brave enough to be different;
- To do the right thing, even when no one is watching;
- To always find another way.

**Master Builders Association of Victoria
Directors' report
30 June 2025**

Information on Directors

Name: Geoffrey Purcell
Information: Geoff has worked in the commercial construction industry for over 29 years. His current role is director at Kane Constructions. Geoff's qualifications include a Bachelor of Planning and Design, Bachelor of Building (University of Melbourne), and Graduate AICD. He holds current domestic/commercial builder registrations and has been involved with Master Builders Victoria for over 8 years.

Name: Lisa Hollingsworth
Information: Lisa is an accomplished business executive with over 20 years of experience in the domestic building industry. Lisa manages Latrobe Building Services Pty Ltd, a multigenerational business started in 1973 by her husband's father. Currently, her husband and son, both registered building practitioners, are active in the business. Latrobe Building Services Pty Ltd has a long-standing membership with Master Builders Victoria for over 25 years.

Name: Gregory Cole
Information: Greg has worked in the construction industry for over 44 years. His current role is managing director at Nuform Steel Fabrications. Greg has previously held a domestic builder's registration and has been involved with Master Builders Victoria on and off for over 20 years.

Name: Mark Phillips
Information: Mark is an experienced sales & marketing Professional who has worked in the FMCG, building materials, and retail sectors for over 20 years with varied ASX 100 businesses including Orica Limited, Dulux Group Limited, and currently at Bunnings Group Limited as Commercial Sales Manager – Southern Division (VIC/TAS).

Name: Danielle Bartolini (resigned 18 December 2024)
Information: Danielle heads up business development and client management across Rock Up Group's three verticals: operations, training, and rentals. Rock Up is a sought-after authority in the concrete polishing industry Australia-wide.

Name: Matthew Gilmour
Information: Matt is a construction executive with over 30 years of experience in all sectors of Construction, mainly in Melbourne, with several years in Sydney and Singapore. He is an experienced company director, construction manager, mentor and advisor and spent his earlier years as a project manager, estimator and in business development.

Name: Raymond French
Information: Raymond has been part of the building industry in various capacities for over 34 years, in various roles ranging from construction to management. He has been in his current role as director of The Harry's Group Pty Ltd for over 14 years, specialising in home inspections, pest, termite control, and waterproofing for termite prevention. Raymond holds a Certificate IV in Building and Construction and has been a proud member of Master Builders Victoria for over 9 years.

Name: Stuart Allen
Information: Stuart is a director of Stuart Allen Building and has over 32 years of experience in the construction industry. Stuart holds a domestic building unlimited and commercial limited registration and has been an active member of Master Builders Victoria for over 25 years.

**Master Builders Association of Victoria
Directors' report
30 June 2025**

Company secretary

Tristan Moseley - Appointed 25 November 2019

Meetings of Directors

The number of meetings of the Association's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2025, and the number of meetings attended by each Director were:

	Meetings attended	Meetings eligible to attend
Board of Management		
Geoffrey Purcell	7	7
Lisa Hollingsworth	7	7
Gregory Cole	7	7
Mark Phillips	7	7
Danielle Bartolini	5	5
Matthew Gilmour	6	7
Raymond French	5	7
Stuart Allen	7	7

Rights of members to resign

Members' right to resign are set out in Item 10 of the constitution. In summary, a member may resign from membership by written notice addressed to the Chief Executive Officer and delivered to the office of Master Builders Association of Victoria.

Significant changes

No significant changes in the state of affairs of the consolidated entity have occurred during the financial year.

Contracts with Directors

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration of Directors shown in the accounts) by reason of a contract made by the Association with any Director, or with a firm of which a Director is a member, or with an Association in which a Director has a substantial financial interest.

Indemnity and Insurance of Directors and Auditors

During the financial year the Association paid a total premium of \$55,488 to insure each of the above Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Association, other than conduct involving a wilful breach of duty in relation to the Association.

The terms of the policy preclude disclosure as to the level of the coverage, or the name of the insurer.

The Association has not otherwise, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Association or a related body corporate:

- Indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- Paid or agreed to pay a premium in respect of a contract insuring against liability incurred as an officer for the costs or expenses to defend legal proceedings.

Officers and members who are superannuation fund trustees

No officer or member of the organisation, by virtue of their office or membership of the Master Builders Association of Victoria, is:

- A trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- A director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation is defined under the Fair Work (Registered Organisations) Act 2009.

**Master Builders Association of Victoria
Directors' report
30 June 2025**

Number of employees

The number of employees of the Master Builders Association of Victoria and its controlled entities at the end of the financial year is 98 (2024: 113).

Contributions on winding up

The Association is a public company, limited by guarantee, incorporated and operating in Victoria, Australia. In the event of the Association being wound up, ordinary members are required to contribute a maximum of \$10 each. As at 30 June 2025 there were 6,027 members (2024: 6,176).

Subsequent events

No matter or circumstance has occurred subsequent to year end that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years.

Future developments

The consolidated entity will continue to pursue the provision of services to members.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors



Geoffrey Purcell
President



Mark Phillips
Chair, Finance, Risk and Audit Committee

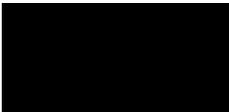
18 September 2025

Report required under subsection 255(2A)

for the year ended 30th June 2025

The committee of management presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 30 June 2025.

Categories of expenditures	2025 (\$)	2024 (\$)
Remuneration and other employment-related costs and expenses – employees	13,468,862	13,395,602
Advertising	366,848	579,115
Operating costs	8,916,806	7,235,361
Donations to political parties	-	-
Legal costs	82,505	178,376

Signature of designated officer: 

Name and title of designated officer: Geoff Purcell
19 Sep 2025

Dated:

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Master Builders Association of Victoria

As lead auditor for the audit of Master Builders Association of Victoria for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Master Builders Association of Victoria and the entities it controlled during the year.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



C. L. Sweeney

Director

Melbourne, 19 September 2025

Master Builders Association of Victoria
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30 June 2025

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General information

The financial statements cover both Master Builders Association of Victoria as an individual entity and the consolidated entity consisting of Master Builders Association of Victoria and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Master Builders Association of Victoria's functional and presentation currency.

Master Builders Association of Victoria is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

332 Albert Street
EAST MELBOURNE VIC 3002

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 18 September 2025. The Directors have the power to amend and reissue the financial statements.

Master Builders Association of Victoria
Statements of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	Consolidated		Parent	
		2025 \$	2024 \$	2025 \$	2024 \$
Revenue	3	30,485,833	25,057,375	30,478,950	25,022,088
Unrealised and realised gain on financial assets		187,726	206,372	187,726	206,372
		<u>30,673,559</u>	<u>25,263,747</u>	<u>30,666,676</u>	<u>25,228,460</u>
Expenses					
Employee benefits expense	4	(13,468,862)	(13,395,602)	(13,469,377)	(13,367,055)
Cost of goods sold		(224,614)	(246,085)	(219,642)	(228,540)
Premises expenses		(1,080,010)	(1,126,915)	(1,079,376)	(1,123,144)
Administrative expenses		(7,278,722)	(6,760,501)	(6,992,573)	(6,505,744)
Depreciation and amortisation expense	4	(4,596,132)	(768,573)	(4,596,132)	(768,573)
Finance costs		(26,675)	(45,190)	(26,675)	(45,190)
Impairment (expense)/reversal	4	(84,789)	(12,950)	(397,770)	(408,929)
Travel, accommodation & motor vehicle expenses		(176,297)	(149,081)	(176,297)	(135,656)
Advertising expenses		(366,848)	(579,115)	(366,848)	(579,115)
Telephone & postage expenses		(131,726)	(118,174)	(131,726)	(116,533)
		<u>3,238,884</u>	<u>2,061,561</u>	<u>3,210,260</u>	<u>1,949,981</u>
Surplus before income tax expense					
Income tax expense		-	-	-	-
		<u>3,238,884</u>	<u>2,061,561</u>	<u>3,210,260</u>	<u>1,949,981</u>
Surplus after income tax expense for the year attributable to the members of Master Builders Association of Victoria					
Other comprehensive income for the year, net of tax		-	-	-	-
		<u>3,238,884</u>	<u>2,061,561</u>	<u>3,210,260</u>	<u>1,949,981</u>
Total comprehensive income for the year attributable to the members of Master Builders Association of Victoria		<u><u>3,238,884</u></u>	<u><u>2,061,561</u></u>	<u><u>3,210,260</u></u>	<u><u>1,949,981</u></u>

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

**Master Builders Association of Victoria
Statements of financial position
As at 30 June 2025**

	Note	Consolidated		Parent	
		2025 \$	2024 \$	2025 \$	2024 \$
Assets					
Current assets					
Cash and cash equivalents		19,728,998	25,285,986	19,665,671	25,239,243
Trade and other receivables	5	4,140,664	2,959,528	4,120,340	2,959,144
Inventories		133,224	195,853	133,224	195,853
Prepayments		917,603	705,340	798,438	579,075
Total current assets		<u>24,920,489</u>	<u>29,146,707</u>	<u>24,717,673</u>	<u>28,973,315</u>
Non-current assets					
Other financial assets	6	4,568,161	4,222,005	4,568,165	4,222,009
Property, plant and equipment	8	16,205,876	13,987,840	16,205,876	13,987,840
Right-of-use assets	7	143,341	96,871	143,341	96,871
Total non-current assets		<u>20,917,378</u>	<u>18,306,716</u>	<u>20,917,382</u>	<u>18,306,720</u>
Total assets		<u>45,837,867</u>	<u>47,453,423</u>	<u>45,635,055</u>	<u>47,280,035</u>
Liabilities					
Current liabilities					
Trade and other payables	9	4,000,121	2,674,867	3,989,191	2,666,564
Contract liabilities	10	9,687,777	15,947,146	9,687,777	15,945,319
Lease liabilities	11	139,932	51,192	139,932	51,192
Provisions	12	1,051,740	1,051,677	1,051,740	1,051,677
Total current liabilities		<u>14,879,570</u>	<u>19,724,882</u>	<u>14,868,640</u>	<u>19,714,752</u>
Non-current liabilities					
Lease liabilities	11	4,939	46,702	4,939	46,702
Provisions	12	186,786	154,151	186,786	154,151
Total non-current liabilities		<u>191,725</u>	<u>200,853</u>	<u>191,725</u>	<u>200,853</u>
Total liabilities		<u>15,071,295</u>	<u>19,925,735</u>	<u>15,060,365</u>	<u>19,915,605</u>
Net assets		<u>30,766,572</u>	<u>27,527,688</u>	<u>30,574,690</u>	<u>27,364,430</u>
Equity					
Accumulated surpluses		<u>30,766,572</u>	<u>27,527,688</u>	<u>30,574,690</u>	<u>27,364,430</u>
Total equity		<u>30,766,572</u>	<u>27,527,688</u>	<u>30,574,690</u>	<u>27,364,430</u>

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

**Master Builders Association of Victoria
Statements of changes in equity
For the year ended 30 June 2025**

Consolidated	Accumulated surpluses \$	Total equity \$
Balance at 1 July 2023	25,466,127	25,466,127
Surplus after income tax expense for the year	2,061,561	2,061,561
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>2,061,561</u>	<u>2,061,561</u>
Balance at 30 June 2024	<u><u>27,527,688</u></u>	<u><u>27,527,688</u></u>

Consolidated	Accumulated surpluses \$	Total equity \$
Balance at 1 July 2024	27,527,688	27,527,688
Surplus after income tax expense for the year	3,238,884	3,238,884
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>3,238,884</u>	<u>3,238,884</u>
Balance at 30 June 2025	<u><u>30,766,572</u></u>	<u><u>30,766,572</u></u>

Parent	Accumulated surpluses \$	Total equity \$
Balance at 1 July 2023	25,414,449	25,414,449
Surplus after income tax expense for the year	1,949,981	1,949,981
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>1,949,981</u>	<u>1,949,981</u>
Balance at 30 June 2024	<u><u>27,364,430</u></u>	<u><u>27,364,430</u></u>

Parent	Accumulated surpluses \$	Total equity \$
Balance at 1 July 2024	27,364,430	27,364,430
Surplus after income tax expense for the year	3,210,260	3,210,260
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>3,210,260</u>	<u>3,210,260</u>
Balance at 30 June 2025	<u><u>30,574,690</u></u>	<u><u>30,574,690</u></u>

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

Master Builders Association of Victoria
Statements of cash flows
For the year ended 30 June 2025

	Note	Consolidated		Parent	
		2025 \$	2024 \$	2025 \$	2024 \$
Cash flows from operating activities					
Receipts from customers (inclusive of GST)		24,714,431	33,456,867	24,729,792	33,436,302
Payments to suppliers and employees (inclusive of GST)		(24,449,677)	(24,713,080)	(24,167,580)	(24,265,947)
		264,754	8,743,787	562,212	9,170,355
Interest received		953,742	820,423	952,682	818,972
Interest and other finance costs paid		(26,675)	(45,190)	(26,675)	(45,190)
Net cash from operating activities	22	<u>1,191,821</u>	<u>9,519,020</u>	<u>1,488,219</u>	<u>9,944,137</u>
Cash flows from investing activities					
Payments for property, plant and equipment **	8	(6,555,008)	(1,731,539)	(6,555,008)	(1,731,539)
Net proceeds from/(payments) for investments		64,487	42,108	64,487	42,108
Net payments from/(to) related parties		365	39,936	(312,617)	(356,043)
Net cash used in investing activities		<u>(6,490,156)</u>	<u>(1,649,495)</u>	<u>(6,803,138)</u>	<u>(2,045,474)</u>
Cash flows from financing activities					
Repayment of lease liabilities		(258,653)	(78,776)	(258,653)	(78,776)
Net cash used in financing activities		<u>(258,653)</u>	<u>(78,776)</u>	<u>(258,653)</u>	<u>(78,776)</u>
Net increase/(decrease) in cash and cash equivalents		(5,556,988)	7,790,749	(5,573,572)	7,819,887
Cash and cash equivalents at the beginning of the financial year		25,285,986	17,495,237	25,239,243	17,419,356
Cash and cash equivalents at the end of the financial year		<u><u>19,728,998</u></u>	<u><u>25,285,986</u></u>	<u><u>19,665,671</u></u>	<u><u>25,239,243</u></u>

** Includes payments for the Collaboration and Innovation Centre renovation which has been partly funded by a grant from Incolink. Please refer to note 3(a) on page 20 for further details.

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

Master Builders Association of Victoria
Notes to the financial statements
30 June 2025

Note 1. Material accounting policy information

New or amended Accounting Standards and Interpretations adopted

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

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements 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 (RO Act). For the purpose of preparing the general purpose financial statements, the consolidated entity is a not-for-profit entity.

Historical cost convention

The financial statements, except for cash flow information, have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at value, as explained in the accounting policies below. The financial statements are presented in Australian dollars.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's and company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

Going concern

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

The consolidated entity has agreed to provide MBA Building Services Pty Ltd (trustee of MBA Building Services Trust) with financial support to ensure they can continue on a going concern basis. This agreed support is to continue for at least 12 months from the time of signing the controlled entity's financial statements to ensure that they are able to pay their debts as and when they fall due.

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

The consolidated entity 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 Act.

Parent entity information

These financial statements include the results of both the parent entity and the consolidated entity in accordance with Corporations Instrument 2021/195, issued by the Australian Securities and Investments Commission.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Master Builders Association of Victoria ('company' or 'parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. Master Builders Association of Victoria and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity 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 consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Note 1. Material accounting policy information (continued)

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

A list of controlled entities is contained in Note 20.

Revenue recognition

The consolidated entity enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of contracts with customers, membership subscriptions and grants.

Revenue from contracts with customers

When the consolidated entity has a contract with a customer, the consolidated entity recognises revenue when or as it transfer control of goods or services to the customer. The consolidated entity 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 consolidated entity.

The consolidated entity recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the consolidated entity's promise to provide assistance and support to the member as required.

Revenue from government grants

Revenue from government grants that are enforceable and with sufficiently specific performance obligations are accounted for under AASB 15 as revenue from contracts with customers, with revenue recognised as these performance obligations are met. Where there is a difference between the timing of the receipt of the grant and the satisfaction of the performance obligations, it will result in the recognition of a receivable, contract asset or contract liability.

AASB 1058 requires that where there are no contracted performance obligations, revenue is recognised when received.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Dividend revenue

Dividend revenue is recognised when the right to receive a dividend has been established.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

As the consolidated entity is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

Note 1. Material accounting policy information (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

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

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Inventories

Stock on hand is stated at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis and include purchase costs only.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Financial instruments

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

Financial assets

Recognition and derecognition

Financial assets and financial liabilities are recognised when the consolidated entity becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expired.

Initial measurement of financial assets

Financial assets are classified according to their business model and the characteristics of their contractual cash flows. Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs.

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following four categories:

- Financial assets at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Equity instruments at FVTOCI
- Financial assets at fair value through profit or loss (FVTPL)

Master Builders Association of Victoria
Notes to the financial statements
30 June 2025

Note 1. Material accounting policy information (continued)

Classification of financial assets

The consolidated entity classifies its financial assets subsequently at amortised cost if the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

The relevant categories for the consolidated entity are:

Financial assets at amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. Given the settlement terms of financial assets at amortised cost, amortised cost approximates fair value.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Master Builders Association of Victoria
Notes to the financial statements
30 June 2025

Note 1. Material accounting policy information (continued)

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	2.5%
Plant and equipment - office furniture	10% - 20%
Plant and equipment - computer equipment	20% - 40%
Plant and equipment - electrical	20%
Motor Vehicles	15% - 22.5%

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Note 1. Material accounting policy information (continued)

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Contributions

Contributions are made by the consolidated entity to various employee superannuation funds and are charged as expenses when incurred. The funds are accumulation funds.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on 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; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Note 1. Material accounting policy information (continued)

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2025.

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

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Revenue from contracts with customers involving the sale of services and goods

When recognising revenue in relation to the sale of services to customers, the key performance obligation of the consolidated entity is considered to be the point of delivery of the service to the customer, as this is deemed to be the time that the performance obligations are met. Amounts received in advance represent unfulfilled performance obligations and are recognised as contract liabilities at the reporting date.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

**Master Builders Association of Victoria
Notes to the financial statements
30 June 2025**

Note 3. Revenue

Revenue	Consolidated		Parent	
	2025 \$	2024 \$	2025 \$	2024 \$
<i>Revenue from contracts with customers</i>				
Membership subscriptions	5,982,066	5,932,789	5,982,066	5,932,789
Insurance commission	1,574,804	1,604,638	1,574,804	1,604,638
Sale of documents	578,511	637,614	578,511	637,614
Event income	1,598,477	1,635,114	1,598,477	1,635,114
Sundry income	566,897	444,542	566,897	444,542
Rental income	102,711	318,454	102,711	318,454
Planning and building services	5,822	33,836	-	-
Training division	1,758,975	1,982,980	1,758,975	1,982,980
Commercial income	223,475	206,450	223,475	206,450
Dividend income	222,917	215,587	222,917	215,587
Grants (note 3a)	16,917,435	11,224,948	16,917,435	11,224,948
	<u>29,532,090</u>	<u>24,236,952</u>	<u>29,526,268</u>	<u>24,203,116</u>
<i>Other revenue</i>				
Interest	953,743	820,423	952,682	818,972
	<u>30,485,833</u>	<u>25,057,375</u>	<u>30,478,950</u>	<u>25,022,088</u>

Financial support has not been received from another reporting unit.

a. Grants of the current and previous financial year are set out below:

Source of Grant	Nature / Purpose	Consolidated		Parent	
		2025 \$	2024 \$	2025 \$	2024 \$
Incolink	Provide quality training, leadership and professional development services to the building and construction industry in Victoria.	8,672,070	8,259,114	8,672,070	8,259,114
Incolink	Develop the MBV Collaboration & Innovation Centre. This centre will be a focal point for the building and construction industry, showcasing innovation and technology and inspiring the next generation of industry leaders.	6,881,848	1,699,310	6,881,848	1,699,310
Incolink	Provide quality OHS and safety training services to the building and construction industry in Victoria.	1,179,973	1,157,420	1,179,973	1,157,420
Department of Energy, Environment & Climate Action	Provide quality training to increase the skills and knowledge of the construction industry to transition towards designing and constructing increasingly energy efficient homes.	123,544	34,104	123,544	34,104
Department of Energy, Environment & Climate Action	Support rebuilding and recovery by linking homeowners to tradespeople able to complete work in flood impacted areas.	60,000	60,000	60,000	60,000
Business Victoria	Supporting the building and construction industry improve the mental health and wellbeing of its members.	-	15,000	-	15,000
		<u>16,917,435</u>	<u>11,224,948</u>	<u>16,917,435</u>	<u>11,224,948</u>

Master Builders Association of Victoria
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Note 4. Surplus for the year

Surplus from ordinary activities has been determined after the following expenses/(income):

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Revenue from recovery of wages activity</i>				
Amounts recovered from employers in respect of wages	-	-	-	-
Interest received on recovered money	-	-	-	-
	-	-	-	-

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Bad and doubtful debts</i>				
Bad debt expense/(reversals)	84,789	12,950	397,770	408,929

	Consolidated		Parent	
	2025	2024	2025	2024
<i>Depreciation of non-current assets</i>				
Buildings	3,770,252	426,117	3,770,252	426,117
Plant and equipment	232,987	116,871	232,987	116,871
Grant funded assets	327,481	147,225	327,481	147,225
Right-of-use assets	259,160	78,361	259,160	78,361
	4,589,880	768,574	4,589,880	768,574

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Grants and/or donations</i>				
Grants:				
Total paid that were \$1,000 or less	-	-	-	-
Total paid that exceeded \$1,000	-	-	-	-
Donations:				
Total paid that were \$1,000 or less	150	594	150	594
Total paid that exceeded \$1,000	10,000	-	10,000	-
	10,150	594	10,150	594

	Consolidated		Parent	
	2025	2024	2025	2024
<i>Legal costs</i>				
Litigation	18,602	-	-	-
Other legal matters	63,903	178,376	63,903	182,562
	82,505	178,376	63,903	182,562

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Note 4. Surplus for the year (continued)

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Revenue and expenses include the following items for which additional information is required by section 255 of the Fair Work (Registered Organisation Act 2009:				
Capitation fees	-	-	-	-
Levies	-	-	-	-
Consideration to employers for payroll deductions of membership subscriptions	-	-	-	-
Compulsory levies	-	-	-	-
Capitation fees and other expense to another reporting unit	-	-	-	-
Fees/allowance - meeting and conferences	-	-	-	-
Penalties - via RO Act or Fair Work	-	-	-	-
Affiliation fees - Master Builders Australia and other congress organisations	731,280	750,265	731,280	750,265
Other fees and subscriptions	209,116	173,230	199,643	165,151
Conference/meeting expenses	2,509	1,130	2,509	1,130

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Employee expenses - Holders of office</i>				
Wages and salaries	-	-	-	-
Superannuation	-	-	-	-
Leave and other entitlements	-	-	-	-
Separation and redundancies	-	-	-	-
Other employee expenses	-	-	-	-
	-	-	-	-

	Consolidated		Parent	
	2025	2024	2025	2024
<i>Employee expenses - Employees other than office holders</i>				
Wages and salaries	11,051,576	10,049,031	11,051,576	9,943,306
Superannuation	1,223,073	1,202,378	1,223,073	1,190,550
Leave and other entitlements	104,565	916,546	104,565	915,127
Separation and redundancies	167,966	236,236	167,966	236,236
Other employee expenses	921,682	991,411	922,197	1,081,836
	<u>13,468,862</u>	<u>13,395,602</u>	<u>13,469,377</u>	<u>13,367,055</u>

Master Builders Association of Victoria
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Note 5. Trade and other receivables

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Current assets</i>				
Trade receivables	1,610,018	429,431	1,607,410	427,716
Less: Provision for expected credit loss	(95,263)	(10,474)	(93,932)	(9,143)
	<u>1,514,755</u>	<u>418,957</u>	<u>1,513,478</u>	<u>418,573</u>
Other receivables	2,460,511	2,376,840	2,441,466	2,376,840
Commissions receivables	164,504	162,473	164,504	162,473
	<u>2,625,015</u>	<u>2,539,313</u>	<u>2,605,970</u>	<u>2,539,313</u>
Intercompany loan - controlled entity	-	-	5,594,906	5,281,927
Intercompany loan - related company	894	1,258	894	1,258
Provision for impairment of intercompany loan	-	-	(5,594,908)	(5,281,927)
Receivables from other reporting units	-	-	-	-
	<u>4,140,664</u>	<u>2,959,528</u>	<u>4,120,340</u>	<u>2,959,144</u>

Allowance for expected credit losses

The average credit period on sales of goods and rendering of services is 30 days. No interest is charged on the trade receivables. An allowance has been made for estimated irrecoverable trade receivable amounts arising from the past sale of goods and rendering of services, established by reference to past default experience.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
60-90 days	126,497	16,377	126,497	16,377
90+ days	253,050	8,597	253,050	7,266
	<u>379,547</u>	<u>24,974</u>	<u>379,547</u>	<u>23,643</u>

Movements in the allowance for expected credit losses are as follows:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Opening balance	10,474	9,143	9,143	9,143
Provision (used)/increased during the year	84,789	1,331	84,789	-
Closing balance	<u>95,263</u>	<u>10,474</u>	<u>93,932</u>	<u>9,143</u>

In determining the recoverability of a trade receivable, the Group examines any changes or any alterations in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being extensive and diverse. Accordingly, the Directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.

**Master Builders Association of Victoria
Notes to the financial statements
30 June 2025**

Note 6. Other financial assets

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Non-current assets</i>				
Shares in controlled entities - at cost	-	-	4	4
Shares in related entities - at cost	120,000	120,000	120,000	120,000
Financial assets	4,448,161	4,102,005	4,448,161	4,102,005
	<u>4,568,161</u>	<u>4,222,005</u>	<u>4,568,165</u>	<u>4,222,009</u>

Equities securities of \$2,926,755 (2024: \$2,675,595) held at fair value are classified as Level 1 and valued as quoted bid prices in an active market. Other fair value through profit or loss investments are classified as Level 2 and valued using valuation techniques which maximise the use of observable market data.

Note 7. Right-of-use assets

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Non-current assets</i>				
Premises - right-of-use	279,894	-	279,894	-
Less: Accumulated amortisation	(186,596)	-	(186,596)	-
	<u>93,298</u>	<u>-</u>	<u>93,298</u>	<u>-</u>
Vehicles - right-of-use	199,872	178,015	199,872	178,015
Less: Accumulated amortisation	(183,313)	(147,460)	(183,313)	(147,460)
	<u>16,559</u>	<u>30,555</u>	<u>16,559</u>	<u>30,555</u>
Copiers - right-of-use	125,356	121,477	125,356	121,477
Less: Accumulated amortisation	(91,872)	(55,161)	(91,872)	(55,161)
	<u>33,484</u>	<u>66,316</u>	<u>33,484</u>	<u>66,316</u>
	<u>143,341</u>	<u>96,871</u>	<u>143,341</u>	<u>96,871</u>

Additions to the right-of-use assets during the year were \$305,630.

The consolidated entity leases motor vehicles and office equipment under agreements of between 2 to 5 years with, in some cases, options to extend.

A lease was entered into for office premises during the year which had a term of 1 year with an option to extend.

The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Right of use assets Vehicles	Right of use assets Copiers	Right of use assets Premises	Total
	\$	\$	\$	\$
Consolidated				
Balance at 1 July 2024	30,555	66,316	-	96,871
Additions	21,857	3,879	279,894	305,630
Depreciation expense	(35,853)	(36,711)	(186,596)	(259,160)
Balance at 30 June 2025	<u>16,559</u>	<u>33,484</u>	<u>93,298</u>	<u>143,341</u>

**Master Builders Association of Victoria
Notes to the financial statements
30 June 2025**

Note 8. Property, plant and equipment

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Non-current assets</i>				
Freehold land and buildings - at cost	19,236,650	19,236,650	19,236,650	19,236,650
Less: Accumulated depreciation	(10,863,571)	(7,087,067)	(10,863,571)	(7,087,067)
	<u>8,373,079</u>	<u>12,149,583</u>	<u>8,373,079</u>	<u>12,149,583</u>
Plant and equipment - at cost	8,193,084	8,171,189	8,193,084	8,171,189
Less: Accumulated depreciation	(8,154,294)	(7,901,027)	(8,154,294)	(7,901,027)
	<u>38,790</u>	<u>270,162</u>	<u>38,790</u>	<u>270,162</u>
Grant funded assets - at cost	454,426	147,225	454,426	147,225
Less: Accumulated depreciation	(454,426)	(147,225)	(454,426)	(147,225)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital WIP	7,794,007	1,568,095	7,794,007	1,568,095
	<u><u>16,205,876</u></u>	<u><u>13,987,840</u></u>	<u><u>16,205,876</u></u>	<u><u>13,987,840</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Freehold land and buildings	Plant and equipment	Grant funded assets	Capital WIP	Total
Consolidated	\$	\$	\$	\$	\$
Balance at 1 July 2024	12,149,583	270,162	-	1,568,095	13,987,840
Additions	-	1,615	327,481	6,225,912	6,555,008
Depreciation expense	(3,776,504)	(232,987)	(327,481)	-	(4,336,972)
Balance at 30 June 2025	<u><u>8,373,079</u></u>	<u><u>38,790</u></u>	<u><u>-</u></u>	<u><u>7,794,007</u></u>	<u><u>16,205,876</u></u>

Valuations of land and buildings

The basis of the valuation of land and buildings is historical cost. The consolidated entity's land and buildings were last revalued in March 2023 based on independent valuers, Asset Inspect Pty Ltd. The purpose of the valuation was to test the value of the land and buildings for impairment. The valuation has not been reflected in these financial statements however no impairment was required.

As part of the establishment of the MBV Collaboration and Innovation Centre, the entity received \$15 million in grant funding. As at 30 June 2025, the renovation is ongoing and all costs of construction have been recognised as capital work in progress. As the existing building has been partially demolished, the expected useful life has been shortened accordingly, and all related balances have been fully depreciated.

Grant funding has been initially recognised as a liability and income is recognised as the performance obligations to renovate the building is met. The full amount of the funding is expected to be recorded as income upon practical completion of the construction, which has been estimated to occur in November 2025.

There is currently a mortgage held by the Bank of Melbourne over the property at Albert St East Melbourne. While there are no amounts outstanding to the bank, the mortgage secures the credit card facility amounting to \$150,000 along with a merchant prepayment facility for \$1.035m.

**Master Builders Association of Victoria
Notes to the financial statements
30 June 2025**

Note 9. Trade and other payables

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Current liabilities</i>				
Trade payables	2,841,513	866,364	2,841,057	864,265
Sundry creditors and accrued expenses	1,144,991	1,637,949	1,137,791	1,631,745
Legal costs payable - general	10,343	170,554	10,343	170,554
Legal costs payable - litigation	3,274	-	-	-
Payables to employers for making payroll deductions of membership subscriptions	-	-	-	-
	<u>4,000,121</u>	<u>2,674,867</u>	<u>3,989,191</u>	<u>2,666,564</u>

The average credit period on purchases of goods is 30 days. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe. No interest is paid on overdue amounts.

Note 10. Contract liabilities

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Current liabilities</i>				
Contract liabilities	3,282,396	2,869,055	3,282,396	2,867,228
Capital projects grant*	6,405,381	13,078,091	6,405,381	13,078,091
	<u>9,687,777</u>	<u>15,947,146</u>	<u>9,687,777</u>	<u>15,945,319</u>

All amounts received under the MBV Collaboration and Innovation Centre capital projects grant are restricted purely for the building renovation, and as such, will only be fully recognised upon practical completion of the renovation. Refer to note 8.

Note 11. Lease liabilities

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Current liabilities</i>				
Lease liability	139,932	51,192	139,932	51,192
<i>Non-current liabilities</i>				
Lease liability	4,939	46,702	4,939	46,702
	<u>144,871</u>	<u>97,894</u>	<u>144,871</u>	<u>97,894</u>

Refer to note 14 for further information on financial instruments.

**Master Builders Association of Victoria
Notes to the financial statements
30 June 2025**

Note 11. Lease liabilities (continued)

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Future lease payments				
Future lease payments are due as follows:				
Within one year	139,911	51,764	139,911	51,764
One to five years	5,611	48,373	5,611	48,373
Less future finance charges	(651)	(2,243)	(651)	(2,243)
	<u>144,871</u>	<u>97,894</u>	<u>144,871</u>	<u>97,894</u>

Note 12. Provisions

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
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	614,998	630,992	614,998	630,992
Long service leave	623,528	574,906	623,528	574,906
Separations and redundancies	-	-	-	-
Other	-	-	-	-
Subtotal employee provision - employees other than office holders	<u>1,238,526</u>	<u>1,205,898</u>	<u>1,238,526</u>	<u>1,205,898</u>

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Current	1,051,740	1,051,677	1,051,740	1,051,677
Non-current	186,786	154,151	186,786	154,151
Total employee provisions	<u>1,238,526</u>	<u>1,205,828</u>	<u>1,238,526</u>	<u>1,205,828</u>

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Number of employees at year end	98	113	98	113

**Master Builders Association of Victoria
Notes to the financial statements
30 June 2025**

Note 13. Other funds

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Compulsory levy/voluntary contribution fund	-	-	-	-
Other funds required by rules	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Note 14. Financial instruments

Financial risk management objectives

The consolidated entity's operations expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	19,728,998	25,285,986	19,665,671	25,239,243
Trade and other receivables	4,140,664	2,959,528	4,120,340	2,959,144
Other financial assets - investments	4,448,161	4,102,005	4,448,161	4,102,005
	<u>28,317,823</u>	<u>32,347,519</u>	<u>28,234,172</u>	<u>32,300,392</u>
Financial liabilities				
Trade and other payables	3,844,422	2,203,393	3,833,492	2,195,087
Leases	144,871	97,893	144,871	97,893
	<u>3,989,293</u>	<u>2,301,286</u>	<u>3,978,363</u>	<u>2,292,980</u>

Market risk

The consolidated entity is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The consolidated entity does not actively trade these investments. There have been no change to the consolidated entity's exposure to market risks or the manner in which these risks are managed and measured. An increase or decrease in equity prices by 5% would increase or decrease equity investments by \$146,342 (2024: \$205,100).

Interest rate risk

The exposure to interest rate risk arises from financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The financial instruments that primarily expose the entity to interest rate risk are term deposits and cash and cash equivalents.

An increase or decrease of 50 interest basis points would increase or decrease consolidated surplus and cash by \$126,430 (2024: \$46,419) and for the parent entity surplus and cash by \$126,430 (2024: \$46,167).

Note 14. Financial instruments (continued)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

The consolidated entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the consolidated entity.

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the consolidated entity's and company's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value. Financial assets where carrying amounts exceed net fair values have not been written down as the consolidated entity intends to hold these to maturity. The aggregate fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

Note 15. Key management personnel disclosures

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Short-term employee benefits:				
Salary (including annual leave taken)	1,261,257	1,326,052	1,261,257	1,326,052
Annual leave accrued	18,314	7,349	18,314	7,349
Performance bonus	100,681	112,046	100,681	112,046
	<u>1,380,252</u>	<u>1,445,447</u>	<u>1,380,252</u>	<u>1,445,447</u>
Post-employment benefits:				
Superannuation	<u>116,590</u>	<u>118,731</u>	<u>116,590</u>	<u>118,731</u>
Other long-term benefits:				
Long service leave	25,423	22,975	25,423	22,975
Total	1,522,265	1,587,153	1,522,265	1,587,153

**Master Builders Association of Victoria
Notes to the financial statements
30 June 2025**

Note 15. Key management personnel disclosures (continued)

	Consolidated		Parent	
	2024	2023	2024	2023
	\$	\$	\$	\$
Transactions with key management personnel and their close family members				
Loans to/from key management personnel	-	-	-	-
Other transactions with key management personnel	-	-	-	-

Note 16. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by, the auditor of the company:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Audit services -</i>				
Audit of the financial statements	60,000	55,500	52,000	49,200
<i>Other services -</i>				
Other audit services - grant acquittals	8,500	6,300	8,500	6,300
Other services - cashflow forecasting for CIC project	-	17,500	-	17,500
	8,500	23,800	8,500	23,800
	<u>68,500</u>	<u>79,300</u>	<u>60,500</u>	<u>73,000</u>

The auditor of the Master Builders Association of Victoria is William Buck.

Note 17. Contingent assets and liabilities

The consolidated entity has given a bank guarantee as at 30 June 2025 of \$300,000 (2024: \$300,000) as part of their requirements to be a Registered Training Organisation.

The consolidated entity does not have any other contingent assets or liabilities as at 30 June 2025.

Note 18. Commitments

Master Builders Association of Victoria has committed to support its subsidiaries MBA Building Services Pty Ltd, trustee of MBA Building Services Trust and MBA Training Services Pty Ltd, trustee of MBA Unit Trust for at least 12 months from the signing of the controlled entity's financial statements to ensure the subsidiary can pay their debts as and when they fall due.

Note 19. Related party transactions

Parent entity

Master Builders Association of Victoria is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in Note 20.

Key management personnel

Disclosures relating to key management personnel are set out in Note 15.

Master Builders Association of Victoria
Notes to the financial statements
30 June 2025

Note 19. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Sale of goods and services:				
Rental income from MBA Insurance Services Pty Ltd	102,711	308,133	102,711	308,133
Commissions received from MBA Insurance Services Pty Ltd	1,574,804	1,604,638	1,574,804	1,604,638
Accounting and other expenses charged to MBA Insurance Services Pty Ltd	270,916	312,042	270,916	312,042

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Current receivables:				
Trade receivables from other related party	164,504	162,473	164,504	162,473

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Current receivables:				
Loan to subsidiaries	-	-	5,594,908	5,281,927
Loan to other related party	894	1,258	894	1,258

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates. Outstanding balances at 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.

Expected credit losses of \$5,594,908 have been raised in relation to loans to subsidiaries and an expense of \$312,981 has been recognised in respect of expected credit losses due from loan to subsidiaries.

Payments made for legal matters on behalf of a related party

During the 2024 financial year, the consolidated entity, through its subsidiary paid \$12,012 in legal expenses on behalf of Lisa Hollingsworth.

Note 20. Controlled and related entities

Parent entity

Master Builders Association of Victoria is the parent entity

**Master Builders Association of Victoria
Notes to the financial statements
30 June 2025**

Note 20. Controlled and related entities (continued)

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Subsidiaries of Master Builders Association of Victoria: Name & Purpose	Country of incorporation	Ownership interest	
		2025 %	2024 %
MBA Building Services Pty Ltd (trustee of MBA Building Services Trust) - To provide supporting services to the building and construction industry	Australia	100.00%	100.00%
MBA Training Services Pty Ltd (trustee of MBA Unit Trust) - To provide training for the Victorian building and construction industry	Australia	100.00%	100.00%
Related Companies: MBA Insurance Services Pty Ltd - The provision of insurance brokerage services	Australia	17.50%	17.50%
Master Builders Association of Victoria Foundation Trust (Trustee - Master Builders Association of Victoria Foundation Ltd) - To provide scholarships and support for training within the building and construction industry	Australia	-	-

Note 21. Events after the reporting period

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 22. Reconciliation of surplus after income tax to net cash from operating activities

	Consolidated		Parent	
	2025 \$	2024 \$	2025 \$	2024 \$
Surplus after income tax expense for the year	3,238,884	2,061,561	3,210,260	1,949,981
Adjustments for:				
Depreciation and amortisation	4,596,132	768,574	4,596,132	768,574
Impairment of related party receivables	-	12,950	312,982	408,929
Loss/(Gain) on fair value through profit or loss investments	(410,643)	(421,959)	(410,643)	(421,959)
Movement in doubtful debts	84,789	(1,331)	84,789	-
Change in operating assets and liabilities:				
Decrease/(increase) in trade and other receivables	(1,266,290)	776,624	(1,246,352)	773,680
Decrease/(increase) in inventories	62,629	(90,588)	62,629	(90,588)
Increase in prepayments	(212,263)	(22,673)	(219,363)	(28,684)
Increase in trade and other payables	1,325,254	629,709	1,322,629	654,348
Increase/(decrease) in contract liabilities	(6,259,369)	5,725,397	(6,257,542)	5,743,532
Increase in employee benefits	32,698	80,756	32,698	186,324
Net cash from operating activities	<u>1,191,821</u>	<u>9,519,020</u>	<u>1,488,219</u>	<u>9,944,137</u>

Note 23. 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:

Note 23. Section 272 Fair Work (Registered Organisations) Act 2009 (continued)

Information to be provided to members or the General Manager:

- (a) 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.
- (b) 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.
- (c) A reporting unit must comply with an application made under subsection (1).

**Master Builders Association of Victoria
Directors' declaration
30 June 2025**

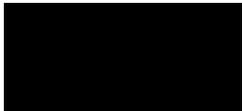
On 18 September 2025 the Board of Management of the Master Builders Association of Victoria passed the following resolution in relation to the general purpose financial report for the year ended 30 June 2025.

The Board of Management declares that in its opinion:

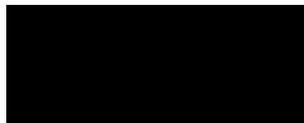
- the attached financial statements and notes comply with the Australian Accounting Standards, the *Corporations Act 2001*, Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 and other mandatory professional reporting requirements;
 - the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
 - 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
- (i) meetings of the Board and Board 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 costs 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 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
 - (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.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001

On behalf of the Directors



Geoffrey Purcell
President



Mark Phillips
Chair, Finance, Risk and Audit Committee

18 September 2025

Independent auditor's report to the members of Master Builders Association of Victoria

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of Master Builders Association of Victoria (the Company) and its subsidiaries (the Group) is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended;
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*; 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)

We declare that management's use of the going concern basis in the preparation of the financial statements of the Group is appropriate.

What was audited?

We have audited the financial report of the Group, which comprises:

- the consolidated statement of financial position as at 30 June 2025,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information
- the subsection 255(2A) report, and
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors 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 directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our 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 our 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

William Buck

William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136



C. L. Sweeney

Director

Registered Auditor number AA2021/24

Melbourne, 19 September 2025