



Australian Government
Australian Industrial Registry

Level 5
11 Exhibition Street, Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7993
Fax: (03) 9654 6672

Mr. C. Atkins
Executive Director
The Master Builders' Association of Tasmania
PO Box 992
HOBART TAS 7000

Dear Chris

**Re: Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule)
Financial reports for year ended 30 June 2005 - FR 2005/309**

Thank you for forwarding further information in relation to the financial reports of The Master Builders' Association of Tasmania for the year ended 30 June 2005: this has been placed with the documents previously lodged.

The financial documents have now been filed.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7993 or by email at larry.powell@air.gov.au.

Electronic Lodgment

I encourage you to take advantage of the electronic lodgment service provided by the Registry for future lodgments. You may register as a user and then lodge your documents via the Electronic Lodgment page of the AIRC website at www.airc.gov.au. Alternatively, you may send an email with the documents attached to riateam3@air.gov.au

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L. Powell'.

Larry Powell
Statutory Services Branch

7 December 2006



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05 December 2006

Industrial Registrar
Australian Industrial Registry
Attention: Mr. Larry Powell
GPO Box 1994
MELBOURNE TAS 3001

Dear Larry

2005 FINANCIAL REPORTS – MBAT INC.

I write to confirm details of the recent approval of the Association's 2005 Financial Reports.

A Special Meeting of Members was held in Hobart at 7.05pm on 31 October 2006. At the meeting a motion was passed that the Financial Reports for 2005 be accepted. I have enclosed a copy of the relevant minutes.

Yours faithfully

C. Atkins.
Executive Director.

HEAD OFFICE: Construction House, 85-89 Brisbane Street, HOBART TAS 7000. GPO Box 992, HOBART TAS 7001.
Telephone: (03) 6234 3810 Facsimile: (03) 6234 3860 Email: headoffice@mbatas.org.au

NORTH WESTERN REGION: 41 Steele Street, DEVONPORT TAS 7310. PO Box 83, DEVONPORT TAS 7310.
Telephone: (03) 6424 4144 Facsimile: (03) 6424 8350 Email: devonport@mbatas.org.au

NORTHERN REGION: 30 Gleadow Street, INVERMAY TAS 7248. PO Box 859, LAUNCESTON TAS 7250.
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MASTER BUILDERS
TASMANIA

MASTER BUILDERS' ASSOCIATION
OF TASMANIA INC



MASTER BUILDERS
TASMANIA

SPECIAL MEETING

Report of the **Special Meeting** held at Construction House, 85-89 Brisbane Street, Hobart on **Tuesday 31st October 2006** commencing at **7.05pm**.

PRESENT: Messrs J Rosevear (Chairman), I Mansfield, R. Scott, T Ward, P Creed, T Klapsis, G Fordham, L Gray, M Minty, M Elliot, D Moody, A Bennett, D Reid, and S Glanville.

APOLOGIES: Messrs G Keating, S Ottway, G Olding, D Chance, A Gregson, D Nettle and Ms H Nettle

IN ATTENDANCE: Messrs C Atkins (Executive Director), M Kerschbaum (Manager - Technical Services)
O Helm (Manager - Training Services)

01.1105 GENERAL BUSINESS

The Chairman advised that the meeting had been convened to approve the Association's Audited Financial Reports for 2005 in accordance with the requirements of the Workplace Relations Act 1996.

It was **moved** Mr S Glanville **seconded** Mr I Mansfield and **carried** that the Audited Financial Reports for 2005 as tabled be approved.

There being no further business the Meeting Closed at 7.07 pm

CONFIRMED AS A TRUE AND CORRECT RECORD

CHAIRMAN: _____

DATE: _____



Australian Government
Australian Industrial Registry

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Mr. C. Atkins
Executive Director
The Master Builders' Association of Tasmania
PO Box 992
HOBART TAS 7000

Dear Mr. Atkins

**Re: Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)
Financial reports for year ended 30 June 2005 - FR 2005/309**

Reference is made to the financial reports of The Master Builders' Association of Tasmania for the year ended 30 June 2005. The documents were lodged in the Industrial Registry on 20 October 2005.

I note that the financial report was provided to members on 11 August 2005. I also note that the financial report was presented to a meeting of the committee of management of the reporting unit on 14 October 2005.

As you know section 266 of the RAO Schedule makes provision for the methods by which a reporting entity may satisfy its obligation to present the full report to members. The purpose of the financial reporting provisions generally is to ensure disclosure to members and, to offer those members an opportunity to raise any matter that concerns them regarding material disclosed in that information. The vehicle for members to achieve this are either at a general meeting of members or at a meeting of the committee of management. The latter option is only available if the precondition in subsection 266(3), that is the 5% rule, is satisfied.

As discussed during our telephone conversations of 15 and 16 November 2005, rule 21(a) of the organisation's rules does not satisfy the abovementioned precondition. Rule 21(a) provides, inter alia, that 10 members of the Association may requisition a special meeting of members rather than a specified percentage of members, not exceeding 5%, as provided by subsection 266(3). I suggest that if the organisation wishes that future financial documents be presented to a committee of management meeting rather than a general meeting of members, an appropriate alteration to the organisation's rules should be effected.

In these circumstances, the relevant documents should be presented to a general meeting of members, or at a series of meetings at different locations (this alternative is only available if the rules make provision for such meetings).

The following matters are referred for assistance when preparing future financial documents; no further action is requested in respect of these.

1. Operating Report

(a) Membership of Committee of Management:

The operating report is required to contain the name of each person who has been a member of the committee of management of the reporting unit at any time during the

reporting period, and the period for which he or she held such a position - refer regulation 159(c) of the RAO Regulations.

The operating report should have provided the positions which members of the committee of management held during the reporting unit.

(b) Right of members to resign

Subsection 254(2)(c) requires the operating report to “give details” of the right of members to resign from the reporting unit under section 174 of the RAO Schedule. The requirement may be met by the inclusion of a statement that a member has the right to resign and a reference to the relevant rule, which makes such provision. Alternatively, the complete text of the relevant resignation rule may be reproduced in the report. It would appear in this case that rule 9 of the organisation’s Rules is applicable.

(c) Trustees of superannuation entities:

The report must give details (including details of the position held) of any officer or member of the reporting unit who is:

- (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and

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.

2. Auditor’s Report

(a) Auditor’s Opinion

The opinion expressed by the auditor in their report does not fully satisfy the requirements of section 257(5) of the RAO Schedule. The auditor should have based their opinion on the general purpose financial report rather than the “financial report”. An acceptable wording would be as follows:

“In our opinion the general purpose financial report presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the RAO Schedule.”

(b) Auditor’s Qualifications

It is not clear from the Report whether or not the Auditor is an approved auditor. In this regard I draw your attention to the definition of approved auditor in regulation 4 of the RAO Regulations. In all likelihood the Auditor is such a person however, it is our preference that this is made explicit in the Report. I recommend you draw this comment to the attention of your Auditors.

3. **Statement of financial performance (profit and loss statement)**

(a) Subscriptions & Turnover Levies

The reporting guidelines made under section 255 of the RAO Schedule prescribe certain disclosure requirements in addition to those prescribed by Australian Accounting Standards. In relation to levies item 10(d) of the guidelines reads:

“Balances for the following items of revenue must be disclosed by the reporting unit in the notes to the financial statements unless already disclosed on the face of the profit and loss statement in accordance with Australian Accounting Standards:

.....

(d) compulsory levies raised from the members or as appeals for voluntary contributions for the furtherance of particular purposes - the amount and a brief description of the purpose of each such levy or appeal.”

I have noted that note 3 to the financial documents includes an item shown as “Subscriptions & Turnover Levies” as revenue from operative activities. It may well be that the organisation has not fully complied with the abovementioned guideline should the levies described above be compulsory levies.

(b) Federal Subs & Levies

In relation to levies item 11(e) of the guidelines reads:

“Balances for the following items of expense must be disclosed by the reporting unit in the notes to the financial statements unless already disclosed on the face of the profit and loss statement in accordance with Australian Accounting Standards:

.....

(e) compulsory levies imposed on the reporting unit - for each such levy, the amount, a brief description of purpose and the name of the entity imposing the levy (including another reporting unit of the organisation).”

I have noted that note 3 to the financial documents includes an item shown as “Federal Subs & Levies” as an expense from ordinary activities. It may well be that the organisation has not fully complied with the abovementioned guideline should the levies described above be compulsory levies.

(c) Salaries

Items 11(g) and (h) of the guidelines read:

“(g) employee benefits to holders of office of the reporting unit;

(h) employee benefits to employees (other than holders of offices) of the reporting unit;”

I have noted that the statement of financial performance (the profit and loss statement) includes an item shown as “Salaries & Employee Benefits Expense” as an expense from ordinary activities.

Future financial reports should show such salaries amounts as having been paid to either holders of office or employees as required by the reporting guidelines.

4. Notice to members

I note that the notice to members provides the provisions of section 274 of the Workplace Relations Act 1996. The accounts should set out the provisions of subsections 272(1), (2) and (3) of the RAO Schedule. Would you please ensure those subsections are copied into the GPFR in the next financial report of the Branch.

It should be noted that the Industrial Registrar attaches importance to reporting units both fully satisfying the obligations under Schedule 1B and to those obligations being discharged within the requisite timeframes. Your reporting unit should therefore ensure that future financial returns fully satisfy the above obligations.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7993 or by email at larry.powell@air.gov.au.

Electronic Lodgement

I encourage you to take advantage of the electronic lodgement service provided by the Registry for future lodgements. You may register as a user and then lodge your documents via the Electronic Lodgement page of the AIRC website at www.airc.gov.au. Alternatively, you may send an email with the documents attached to riateam3@air.gov.au

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L. Powell', written in a cursive style.

Larry Powell
Statutory Services Branch

22 November 2005



Australian Government
Australian Industrial Registry

Level 5
11 Exhibition Street, Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7993
Fax: (03) 9654 6672

Mr. C. Atkins
Executive Director
The Master Builders' Association of Tasmania
PO Box 992
HOBART TAS 7000

Dear Mr. Atkins

**Re: Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule)
Financial reports for year ended 30 June 2006 - FR 2006/227**

Reference is made to the financial reports of The Master Builders' Association of Tasmania for the year ended 30 June 2006. The documents were lodged in the Industrial Registry on 23 August 2006.

The financial documents have been filed.

I direct your attention to the following comments concerning the above reports and the financial reporting obligations under Schedule 1. Please note that these matters are advised for assistance in the future preparation of financial reports; no further action is required in respect of the subject documents.

1. Operating Report

(a) Review of principal activities:

The report must contain a review of the reporting unit's principal activities during the financial year, the results of those activities and any significant changes in the nature of those activities during the year – refer s254(2)(a) of Schedule 1.

(b) Significant changes in financial affairs:

The report must give details of any significant changes in the reporting unit's financial affairs during the year – refer s254(2)(b) of Schedule 1. I note that the Treasurer's Report appears to contain information which could be used to address this matter.

2. Timescale Requirements

Financial reports should be prepared, audited, supplied to members, presented to a meeting and lodged in the Industrial Registry within certain timescale requirements.

From the information available, the reports were provided to members on 26 July 2006 and presented to the Annual General Meeting of members on 10 August 2006. It is not possible the reports were provided to members at least 21 days before the meeting - refer s265(5)(a) of Schedule 1.

3. References to Schedule 1B

I note the financial documents contain references to Schedule 1B of the Workplace Relations Act 1996. Such references should now be to Schedule 1.

4. **Outstanding matter**

Reference is made to our letter of 22 November 2005 requesting that the financial reports for the year ended 30 June 2005 be presented to a general meeting of members of the organisation.

Would you please advise this office as soon as possible whether the financial reports have been presented to a general meeting of members, and if so, provide details of such.

Please note that the financial documents for 30 June 2005 will not be filed until the above information has been lodged in the Industrial Registry.

It should be noted that the Industrial Registrar attaches importance to reporting units both fully satisfying the obligations under Schedule 1 and to those obligations being discharged within the requisite timeframes. Your reporting unit should therefore ensure that future financial returns fully satisfy the above obligations.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7993 or by email at larry.powell@air.gov.au.

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Yours sincerely,

A handwritten signature in black ink, appearing to read 'L Powell', with a large, stylized flourish at the bottom.

Larry Powell
Statutory Services Branch

12 October 2006



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18 October 2005

Deputy Industrial Registrar
 GPO Box 1232M
 HOBART TAS 7001

Dear Sir

FINANCIAL REPORTS – MBAT INC.

Please find enclosed a copy of the Association's audited financial reports for the year ended 30 June 2005.

The subject reports were tabled at a meeting of the Committee of Management held on the 14th of October 2005.

Yours faithfully

C. Atkins.
Executive Director.

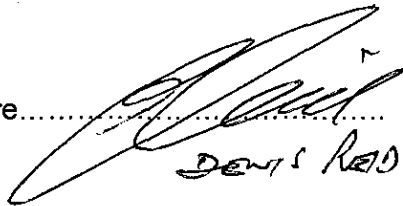
Certificate of Secretary or other Authorised Officer¹

s268 of Schedule 1B *Workplace Relations Act 1996*

I Denis James REID being the President of the Master Builders' Association of Tasmania certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- that the full report, was provided to members on or before 11 August 2005; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 14 October 2005; in accordance with section 266 of the RAO Schedule.

Signature.....



Handwritten signature of Denis Reid, with the name "DENIS REID" written in capital letters below the signature.

Date: 19 October 2005

**MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENTS REPORT
2004 TO 2005**

**THE MASTER BUILDERS'
ASSOCIATION OF
TASMANIA INC.**



"Building Tasmania Since 1891"

PRESIDENT'S REPORT

**FOR THE YEAR ENDED 30 JUNE 2005
Presented at the Annual General Meeting of the
Master Builders' Association Inc. on
Thursday 11th August 2005**

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENTS REPORT
2004 TO 2005

It is with pleasure that I submit the annual report in the second year of my term as your president.

OVERVIEW:

This year has seen continued unprecedented work levels with skills shortage impacting on all trades. Continued activity is predicted to be slowing for new home construction; increasing for alterations & extensions and increasing Commercial construction, however Government capital works may not continue at it's previous pace. The Governments Affordable Housing Strategy has been curtailed in this year's budget.

The industry has been dominated by the transition and accreditation of Building practitioners following commencement of the Building Act 2000 in July 2004. The MBAT has been diligent in keeping its' members up to date with these issues. The value of Structural Defects Insurance and the requirement is being addressed by the Association.

A review of the Housing Indemnity Act is currently underway and MBAT has submitted a comprehensive report to this review after considerable input by members.

ACHIEVEMENTS:

As stated this year has seen the 1st year of the implementation of the Building Act 2000 and owing to the preceding work carried out by the MBA, the transition was relatively smooth for our members. The ongoing requirement for Continuous Professional Development (CPD) is a challenge to MBAT to continue to provide suitable training and/or training facilitation to suit member's needs and for members to meet their obligations. New member accreditation education course introductions are imminent

The Government finally withdrew their support for our Housing Indemnity Scheme continuing without an underwriting insurance company, despite our sound arguments of mitigating factors. Your Executive Director is to be commended, together with some senior members, for negotiation with CGU and for achieving a virtually seamless transition to the new scheme for members.

This year resulted in our involvement as a shareholder, after much debate at State Council level, in the new MBA Insurance Scheme, and the availability of insurances to members through this brokerage. Additional marketing is yet to be undertaken.

Our inaugural State Conference "Building Tomorrow" in April 2005 and incorporating another Industry Forum, was, by all accounts, a great success for members attending and as a vehicle to maintain our pre-eminence as a provider of service to the Industry. A consistent quality of speakers was enjoyed. My thanks to the organising committee and Chairman, Graham Keating & particularly the members who supported "Women in Construction" programme. A conference will be again held in 2006.

This year also has resulted in the completion of an initiative of past president, Paul Ibbott and State Council, "The History of the Master Builder's Association of Tasmania 1891 -2005". This will be available for purchase shortly. I can commend the book to you as an interesting read.

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENTS REPORT
2004 TO 2005

STAFFING:

It was with great sadness that our Training Manager, colleague and friend, Neville Hampton passed away last year.

We welcomed Melinda Dickie to our Hobart Office, Tennille in Devonport & new Manager Training Services, Ottmar Helm.

My thanks to all staff for their commitment & support in 2004/2005. I look forward to their continued enthusiasm.

COMMITTEES:

This has been an active year for all committees with good participation by members. There have been positive outcomes for Education & Training, Commercial & Housing committees and less so for Membership & Marketing committee which will gain more impetus under the new Chairmanship of Ian Dent. This committee is critical to the attraction of new members & retention of existing members & requires a reinvigoration.

State Council, Executive, Strategic Planning, Investment & Accreditation committees have all been active & well supported. My thanks to Chairmen of committees & committee participants for their time and commitment. This involvement should not be underestimated, as it can be a burdensome task at times. The requirement for member's views & input is paramount to a successful MBA.

Regional meetings have all been well attended this year with a varied programme & industry discussion.

State Council and Executive committee have represented your interests at all times.

COMMERCIAL SECTOR:

The Commercial Sector Committee formed in 2004 focuses on tendering procedures and practices, industrial relations, legislative reform, unions, industrial awards, contractual and commercial services.

During the year a survey of members recognised the shortage of skilled labour in the State. As a result of this survey a joint venture between the MBA, TAFE Tasmania, the TBCITB and the CFMEU introduced a program called "Accelerated Learning Program" which will give 15 young Tasmanians the opportunity to get an accelerated career pathway into the building industry.

The Commercial Sector consulted with the CMFEU on the variation of Clause 38 (Amenities) of the State Building & Construction Industry Award to receive an acceptable outcome.

Members were kept informed of the CFMEU position on TasBuild Pty Ltd and proposed amendments to Long Service Leave proposed amendments. Meetings were held in each Region to determine members' attitude to the proposed amendments.

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENTS REPORT
2004 TO 2005

In response to Member enquiries with regard to Extension of Time and Addenda issues from Tendering Authorities the Committee introduced Policies and Procedures for Extension of Time and Addendums. These policies have been forwarded to Government Departments and Architects for their input. Members are utilising the policy and procedure when requesting an extension of time and dealing with addendums issued.

Other items the Committee had dealings with included Government Insurance Excesses, Apprentices, Public Works Tender Board – Review, proposed Technical Colleges for the State.

The Committee undertook research into the requirement under the Building Act 2000 for Commercial builders to carry Structural Defects Insurance. The Committee has continued to lobby Government to withdraw the requirement and is waiting on Government to make a decision.

The Committee has recognised three strategic items:

- Safety Induction (the introduction of a generic Safety Induction book for sub-contractors)
- Tender Documents – quality of documentation
- Government Procurement of Tenders

These are on-going issues to be resolved in the next 12 months.

EDUCATION & TRAINING:

This year's operations were considerably influenced through the sickness and loss of our Manager, Training Services, Neville Hampton. However, Judy and Tennille at the Devonport office kept the vital courses going, and while not delivered in-house, courses were still being delivered. The highest demand was in safety induction with 18 courses delivered, totalling 240 participants, followed by:

Wet Area Waterproofing (143),	BO4 Contracts (68),
Basic Scaffolding (67)	Manual Handling (54),
Control Construction Traffic (48),	Work at Heights (45),
Risk Assessment & Control (34),	First Aid Level 2 (33),
Chainsaw Basic (27),	Elevated Work Platforms (16),
Responsible Officer (12),	Forklift Truck (7),
MBAT Conference (96 members earned CPD for attending).	

In total, a number of 890 participations in training were registered. Our skills shortage was partially addressed through some pre-vocational courses run by TAFE Tasmania. Approximately 90 students enrolled state-wide. Many of them found employment in the industry on completion of the courses; some were already offered a job during their work placements. Another achievement that will raise the staff skill level in our industry is the recent commencement of our accelerated learning program in the Carpentry & Joinery sector. In co-operation with TAFE Tasmania, and supported by the TBCITB and the CFMEU, fifteen students will be fast tracked through the theory components of Certificate III in Carpentry & Joinery between now and Christmas, interspersed with three lots of three-week work placements. On completion of the program, participants are most likely to be taken over by those companies who had them for work experience as work-ready apprentices.

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENTS REPORT
2004 TO 2005

Our CPD program offer will be extended considerably this year, by adopting the MBAV Certificate IV Program (Domestic Builder Registration Course) which has already been rolled out in Victoria to approx. 100 members per year for the last three years and successfully adopted and used in N.S.W. and Queensland.

The following topics will be available as well as those offered over the last twelve months:

- Occupational Health and Safety
- Workplace training and assessment
- Construction Technology
- Supervision and site administration
- Contracts and legal obligations
- Estimating
- Dealing with difficult people (staff and customers)
- Financial management
- Marketing and sales
- Business planning
- Human resources

Members will also have the choice to formally complete whole units of competency including a formal assessment or to pick and choose individual elements to suit their personal or business needs. Formally assessed units count towards a Certificate IV in small business management for those members who want to obtain a builder's registration.

The Committees strategic focus objectives for the next twelve months are as follows:

- Accelerated Learning Program (ALP) for Apprentices: ensure the delivery of one and possibly two ALPs for 15 apprentices;
- Concrete Finishers & Steel Fixers: develop an accredited course to facilitate the introduction these skills onto work sites through up skilling of existing employees or the recruitment new employees who have undertaken the training program;
- Schools Vocational Program: Develop and deliver a vocational program to Year 9 and Year 10 students to raise the profile of the industry and to reinforce the opportunities available through participation in the industry. The ultimate aim is to elevate the construction industry employment as careers of first choice;
- AQF Level 4; procure and deliver the course currently available in Victoria; and Reinvigorate the training program available to members, in particular to membership sectors where training has not traditionally been delivered.

HOUSING SECTOR:

The Housing Committee has been active over the last year dealing with a number of housing related issues.

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENTS REPORT
2004 TO 2005

The primary issue confronting the Committee over the past year has been the review of the Housing Indemnity Act 1992, which was undertaken by the Department of Consumer Affairs and Fair Trading. This review prompted a discussion paper from the Association, which went to all members prior to being submitted to the Department for its consideration.

Additionally, the Committee has:

- Reviewed and approved a retention provisions flyer for use with the BO4 Contract
- Met with representatives from Aurora and Telstra regarding the problems they are facing in keeping up with demand for their respective services
- Provided comment to Australian Building Codes Board regarding the proposed 5 star energy efficiency requirements for houses
- Almost finalised a Draft Defects Policy for Housing relating to Defects Liability Period rectification

Future Goals for the Housing Committee (excerpt from Housing Cttee minutes):

Mr J Beswick reinforced the fact that the Housing Committee was driven by members and that we relied on their feedback to carry out their wishes rather than setting broad goals and agendas as a committee. Items that were identified as ongoing issues for the Housing Committee to work on were:

- Improving planning legislation and ongoing reform
- Housing Affordability
- Advising State Council on items which impact upon the Housing Sector in Tasmania.

MEMBERSHIP AND MARKETING:

Under the Chairmanship of Mr Ian Dent the Membership and Marketing Committee set its mission for the retention and enhancement of existing accredited membership, recruitment of new members, the marketing of the Master Builders' Association of Tasmania Inc and its accredited members.

In order to provide continued professional service to its members the committee focused on the implementation of the following factors;

- Ensure the Association continues to provide services relevant to the needs of its Membership.
- Ensure membership subscriptions remain competitive and relevant to services provided.
- Ensure that strategies are in place to grow our membership base to sustainable levels as well as retaining existing members.

The committee adopted the following objectives;

Retention of Members by:

- Encouraging membership attendance at MBAT meetings.
- Encouraging compliance with continued Professional Development.
- Provision of membership benefits that assist in improving an Accredited Member's viability.

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENTS REPORT
2004 TO 2005

- Promoting communication and fellowship amongst membership at social functions, information evenings and sport i.e. Excellence Awards, golf.
- Recruitment of New Members
- Identify through existing membership, potential new members.
- Identify through current accredited members, colleges and TAFE, suitable students/apprentices, for Association membership.
- Marketing of the Association
- Promotion of Accredited MBA status, what it means to the consuming public.
- Promotion of Association and its Accredited Members by effective merchandise, signage, logos etc.

The committee began its work by recommending an update on the Association web page, encouraging greater participation in Monthly General Meetings through Continued Professional Development sessions at those meetings. Membership Services are also promoted as part of the Agendas.

Work has begun on the development of an events calendar so that opportunities for members can be taken up for Continued Professional Development attending conferences, Trade Shows, Services etc.

The Marketing and Membership committee consists of the following;

- Mr Ian Dent (Chairman)
- Mr Max Seymour (Convenor)
- Mr David Moody
- Mr Rod Scott
- Mr Andrew Anstie
- Mr Phil Watts
- Mr Phil Thurlow
- Mrs Judy Partridge
- Mr Michael Kerschbaum

INDUSTRY EVENTS:

ANNUAL EXCELLENCE AWARDS & DINNER:

The awards & dinner again attracted record entries & participants. Congratulations go to the all entrants & winners, particularly those who won Master Builders Australia National Awards including:

Fairbrother Pty Ltd for the Peppermint Bay Function Centre;
Bells Construction & Technologies Pty Ltd for Glenara Lakes aged care facility;
D S Gray Pty Ltd for the Rectory at Westbury;
cb&m design solutions for energy efficiency in domestic construction; and
J & C Dykman Hotondo for a domestic dwelling in the \$250,000.00 to \$350,000.00 category.

Once again, a Tasmanian entrant, Dylan Graham won the prestigious "National Master Builders Apprentice of the Year Award". A Tasmanian apprentice has won the Award three times in the last 4 years.

MEMBER SERVICE RECOGNITION:

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENTS REPORT
2004 TO 2005

The commencement of presentations to members of long standing membership began this year with many presentations awarded at MBAT industry events.

Regional Dinners: All regions enjoyed good participation & fellowship at their dinners. The celebrity auctioneers at the NW regional dinner were highly entertaining.

FEDERAL MATTERS:

Master Builders' Australia Inc. has met in November, March (Hobart) & May. Paul Ibbott continued as Vice-President.

Strategic Planning sessions also continued with outcomes already being achieved. The push for an enhanced national identity by use of the national logo by all State and Territory associations has seen a date set of January 2007 for full implementation.

The achievements on behalf of members by the National office have been many and including continued lobbying for Industrial Relation reform, active participation in Training issues, Standards and the BCA amongst other important issues of national significance.

The national committee structure continues with good participation.

GOVERNMENT LOBBYING:

Continued lobbying of Government has occurred on issues previously mentioned including the State Budget submission. I believe it is fair to say that we enjoy an excellent relationship with all departments and at Ministerial level.

THE FUTURE:

The skills shortage will continue to be a significant issue, not only for today's increased building activity, but also to address the longer term problem of the ageing demographic. Greater education of our Industry at school participant level is paramount to a healthy building industry of the future. Where there was once a plethora of building industry employers & little work, the reverse is now the case.

It is important that members recognise that an eventual cyclical downturn will ensue & should make provision for this in these good times.

The availability of training for existing & new participants cannot be overstated. The Master Builders Association is taking a proactive approach to providing this service.

It is vitally important for the government to attract continued investment to stimulate economic activity, which, in turn, promotes population growth & demand.

Industrial Relations: With a new IR regime about to become reality, I would remind members that some provisions of the changes will be onerous on Employers within the industry & compliance with the "National Code of Conduct" & recognition of the value of our employees will be highly important in consideration of these changes & also in relation to the aforementioned ageing workforce issue.

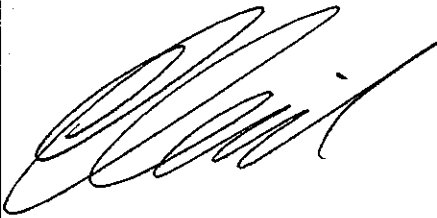
MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENTS REPORT
2004 TO 2005

Increased regulation & costs: Increased fees, insurance costs, levies, and other regulatory imposts reduce the affordability of construction and an increased effort in curtailing these increases, or ensuring a reduction, is of importance. Whilst these costs are eventually passed onto the client the impact on construction costs and eventual sustainability of levels of construction are affected.

Your MBAT & the future: It's in good hands! It's healthy & providing excellence in service to members and will continue to improve with your support & participation.

Finally, thanks to all members & staff for their ongoing support.

I commend this report to you & move for its adoption.



Denis Reid
President.

**THE MASTER BUILDERS' ASSOCIATION OF
TASMANIA INC.**



"Building Tasmania Since 1891"

**BALANCE SHEET
AND
STATEMENT OF ACCOUNTS
YEAR ENDED 30 JUNE 2005**

To be present to the Annual General Meeting of the Master Builders'
Association Inc. to be held in Hobart on
Thursday 11th August 2005

TREASURER'S OPERATING REPORT – 2005

Members, it is my pleasure to present the Master Builders' Association of Tasmania Inc. report of its accounts together with the 2005 Auditor's report as to the Association's financial operations for the '2004 – 2005' fiscal year. A surplus of \$153,404.52 has been recorded for the period, which has been generated through the normal day-to-day operations of the Association together with the returns from non-operational activities.

The financial results continue to reflect the Association's strategic objective of "decreasing the reliance on membership subscriptions by developing alternative income streams". In 2004 – 2005 subscription income represents around 42% of total income with alternative, non-operational income streams generating around 23.4%. This is an increase of 4.4% over the previous financial year. Whilst the reported surplus is significant it has been generated not through increased gross income but through the administration of the Association's business and expenses.

As reported last year, income from property investments continues to grow. Property income for 2005 has increased by 18.5% over the previous year and will continue to increase during this and subsequent years as current construction plans for Launceston are finalised. The administration of the housing indemnity scheme (MBA-HIS) has also made a significant contribution to the Association's bottom line. However, with the Government's recent decision not to continue to support the Scheme this income will be significantly curtailed into the future.

Training income for the period was significantly below expectation due to unforeseen circumstances, however this in part was offset by a decrease in training expenses on a proportionate basis. A similar scenario resulted from the decision to change the method of producing the Tasmanian Master Builder journal. A contract has recently been signed with a publisher to externally produce the journal that will minimise the cost of the publication to the Association. During the period membership (based on subscriptions) grew by 4.1%, as such we are likely to see demand for services with a corresponding flow-on into the operations of the MBA.

Total expenses for the period have decreased by 7.5% over the previous financial year, which is also a focus of the financial management of the Association. Expenses for Training and the Journal have decreased as previously reported. Other expenses to decrease include Consultancies (\$5999.76), Housing Awards (\$9633.47) which has been offset by sponsorship, Travel Meals and Accommodation (\$8,616.22) and the costs associated with the MBA History (\$6,576.54). These savings were offset against increases recorded in Advertising of (\$5,571.98), Regional catering and Meeting Costs (\$8,212.80), Property Maintenance (\$8,559.50) and Vehicle Running (8,609.87). Salary and Employment Expenses were also higher than the previous year as a new staff member was recruited in Hobart.

The 2004 – 2005 period represents a watershed for the Association, as you would appreciate the changes imposed on the MBA and the operations of MBA-HIS will have a significant impact on cash-flow and the bottom line. The challenge is to continue to meet the overheads

inherent in delivering high-level relevant member service within a restricted budgetary regime.

Future financial decisions will need to be made in acknowledgement of the changed environment in which we are operating. This years results are just that, and should not be considered as the norm. They took hard work to deliver and will require the maintenance of prudent financial decisions, looking into the future to mitigate the potential for adverse financial results and to ensure the continued growth in the financial performance of the Association.

The Master Builders' Association of Tasmania, since establishment in 1891, has been active in seeking to improve the conditions under which the building industry operates. It is a non-political and non-profit making organisation set up to safeguard and promote the interests of its members in their business of building and to encourage and promote a high standard of workmanship and integrity in the building industry.

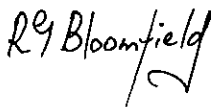
The Association staffing level as at 30 June 2005 consisted of nine full time and one part time, supporting a total membership of 487. Clause 9 of the Association's Constitution provides that "Any member may resign from membership by written notice addressed and delivered to the Executive Director."

The Members of State Council as at 30 June 2005 were:

Mr Denis Reid
Mr David Gray
Mr Andrew Bennett
Mr Graham Keating
Mr Michael Hardacre
Mr Wayne Licht
Mr Neville Bingham

Mr John Rosevear
Mr Richard Bloomfield
Mr Craig Burleigh
Mr Ian Dent
Mr Paul Ibbott
Mr Ian Mansfield
Mr John Beswick

Members, I commend the financial statements and auditors' reports to you as being the financial position of the Master Builders' Association of Tasmania for the period ended 30th June 2005.



R G Bloomfield
TREASURER

1st August 2005

THE MASTER BUILDER'S ASSOCIATION OF TASMANIA

COMMITTEE OF MANAGEMENT'S STATEMENT

I, Richard G BLOOMFIELD being a designated officer of the Master Builder's Association of Tasmania, report that the Committee of Management of the Association at a meeting of the Committee held on 02 August 2005 resolved that the following declarations, passed by the Committee at that meeting, in relation to the financial report of the Association for the year ended 30 June 2005 be included in the financial report.

In the opinion of the Committee of Management:

- (a) the financial report complies with the Australian Accounting Standards;
- (b) the financial report complies with the reporting guidelines of the Industrial Registrar;
- (c) the financial report gives a true and fair view of the financial performance, financial position and cash flows of the Association for the financial year ended 30 June 2005;
- (d) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 30 June 2005 and since the end of the financial year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the Association; and
 - (ii) the financial affairs of the Association have been managed in accordance with the rules of the Association; and
 - (iii) the financial records of the Association have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration an Accountability of Organisations) Regulations 2003; and
 - (iv) the financial records of the Association have been kept, as far as practicable, in a consistent manner to each of the other branches and national council of the organisation; and
 - (v) the information sought in any request of a member of the Association or a Registrar duly made under Section 272 of Schedule 1B to the Workplace Relations Act 1996 has been furnished to the member or Registrar; and
 - (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of Schedule 1 B to the Workplace Relations Act 1996.

Ry Bloomfield
2nd August 05
.....
Dated



Wise Lord & Ferguson

advice to advantage



Chartered Accountants

INDEPENDENT AUDIT REPORT

To the members of The Master Builders' Association of Tasmania Inc.

Scope

The Financial Report and the Committee of Management's Responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, the accompanying notes to the financial statements and the committee of management's statement for The Master Builders' Association Tasmania Inc., for the year ended 30 June 2005.

The committee of management are responsible for the preparation and true and fair presentation of the financial report in accordance with the Associations Incorporation Act and Workplace Relations Act 1996 including applicable accounting standards. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We have conducted an independent audit in order to express an opinion to the members of the Association. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Associations Incorporation Act and Workplace Relations Act 1996, including compliance with Accounting Standards and other mandatory professional reporting requirements in Australia, a view which is consistent with our understanding of the Association's financial position and its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee of management.



1st Floor 160 Collins Street Hobart TAS 7000 GPO Box 1083 Hobart TAS 7001
Tel: (03) 6223 6155 Fax: (03) 6223 8993 Email: email@wlf.com.au Internet: www.wlf.com.au

Partners: Brent Palfreyman, Peter Beven, Robert Whitehouse,
Harvey Gibson, Danny McCarthy, Douglas Thomson, Joanne Doyle, Stuart Clutterbuck
Managers: Joanne Moran, Ian Wheeler, Shenna Hurd, Marg Marshall
Sharon Breen, Dean Johnson, Alicia Leis, Melanie Richardson

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

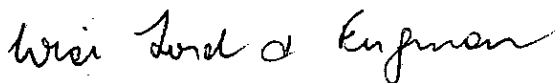
Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Workplace Relations Act 1996.

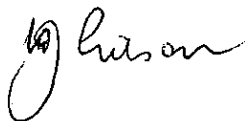
AUDIT OPINION

In our opinion the financial report of The Master Builders' Association Tasmania Inc. is in accordance with:

- (a) the Workplace Relations Act 1996, including:
 - (i) giving a true and fair view of the Association's financial position as at 30 June 2005 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards; and
 - (iii) complying with any other requirements imposed by the Reporting Guidelines of Part 3 of Chapter 8 of Schedule 1B of the Act; and
- (b) other mandatory professional reporting requirements in Australia.



Wise Lord & Ferguson
Chartered Accountants



H J GIBSON

PARTNER
Wise Lord & Ferguson

Date 5 August 2005



Wise Lord & Ferguson

advice to advantage



Chartered Accountants

The Commissioner
Corporate Affairs
GPO Box 249C
HOBART TAS 7001

I advise that, as at the 30th June 2005 the following persons were Committee Members of the Master Builders' Association of Tasmania Inc. for the purposes of the Association's Incorporations Act 1964.

President
Senior Vice President
Vice President
Treasurer

Mr DJ Reid
Mr JA Rosevear
Mr W Licht
Mr RG Bloomfield



Councillors

Mr A Bennett
Mr J Beswick
Mr NR Bingham
Mr C Burliegh
Mr IG Dent
Mr DS Gray
Mr MR Hardacre
Mr PR Ibbott
Mr GF Keating
Mr IC Mansfield



H J GIBSON

Partner

WISE LORD & FERGUSON

160 Collins Street
HOBART TAS 7000

Registered Company Auditor
Under the Corporations Act
Section 1280 (2)

Dated: 5 August 2005

1st Floor 160 Collins Street Hobart TAS 7000 GPO Box 1083 Hobart TAS 7001
Tel: (03) 6223 6155 Fax: (03) 6223 8993 Email: email@wlf.com.au Internet: www.wlf.com.au



Partners: Brent Palfreyman, Peter Beven, Robert Whitehouse,
Harvey Gibson, Danny McCarthy, Douglas Thomson, Joanne Doyle, Stuart Clutterbuck
Managers: Joanne Moran, Ian Wheeler, Shenna Hurd, Marg Marshall
Sharon Breen, Dean Johnson, Alicia Leis, Melanie Richardson

THE MASTER BUILDER'S ASSOCIATION OF TASMANIA

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2005

	Notes	2005 \$	2004 \$
REVENUES FROM ORDINARY ACTIVITIES	3	1,065,043	1,066,233
Depreciation	4	67,396	70,956
Bank Charges		1,185	1,844
Salaries & Employee Benefits Expense		397,804	378,367
Other Expenses	4	445,252	537,646
TOTAL EXPENSES		911,637	988,813
NET PROFIT FROM ORDINARY ACTIVITIES		153,406	77,420

The accompanying notes form part of these financial statements.

THE MASTER BUILDER'S ASSOCIATION OF TASMANIA

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2005

	Notes	2005 \$	2004 \$
CURRENT ASSETS			
Cash	5	605,768	725,868
Prepayments		10,241	8,852
Stock		68,745	16,234
Trade Receivables	6	108,068	126,693
TOTAL CURRENT ASSETS		792,822	877,647
NON-CURRENT ASSETS			
Property, Plant & Equipment	7	2,061,398	1,992,291
TOTAL NON-CURRENT ASSETS		2,061,398	1,992,291
TOTAL ASSETS		2,854,220	2,869,938
CURRENT LIABILITIES			
Creditors	8	103,651	274,896
Income Received in Advance		21,575	20,100
Employee Entitlements	9	62,808	62,162
TOTAL CURRENT LIABILITIES		188,034	357,158
TOTAL LIABILITIES		188,034	357,158
NET ASSETS		2,666,186	2,512,780
ACCUMULATED FUNDS & RESERVES			
Accumulated Funds & Reserves	10	2,666,186	2,512,780

The accompanying notes form part of these financial statements.

THE MASTER BUILDER'S ASSOCIATION OF TASMANIA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2005

	Notes	2005 \$	2004 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Trading		1,069,144	946,791
Interest Received		21,342	19,249
Payments to Suppliers & Employees		(1,072,279)	(706,633)
Net Cash Provided by Operating Activities	12(b)	18,207	259,407
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property, Plant & Equipment		6,075	-
Acquisition of Property, Plant and Equipment		(144,382)	(11,822)
Net Cash provided by Investing Activities		(138,307)	(11,822)
Net Increase in Cash Held		(120,100)	247,585
Cash at the Beginning of the Year		725,868	478,283
CASH AT THE END OF THE YEAR	12(a)	605,768	725,868

The accompanying notes form part of these financial statements.

THE MASTER BUILDER'S ASSOCIATION OF TASMANIA

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial report is a general purpose financial report which has been prepared in accordance with the Associations Incorporation Act Tasmania, the Workplace Relations Act 1996 and applicable Accounting Standards. Other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) have also been complied with.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non current assets. Cost is based on fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report.

(b) Changes in Accounting Policies

This is the first year the financial statements have been prepared as a general purpose financial report. Therefore many accounting policies have been updated in the current year to take account of the difference between the limited compliance with accounting standards required under special purpose financial reporting compared to the much more onerous compliance with all accounting standards required under general purpose financial reporting. All other accounting policies adopted are consistent with those of the prior year, unless otherwise stated.

(c) Cash and Cash Equivalents

Cash on hand and in banks and short term deposits are stated at nominal value.

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in banks including deposits held with a bank or financial institution.

(d) Receivables

Receivables include amounts where settlement has not yet occurred. Receivables are recognised and carried at original invoice amount less a provision for uncollectible debts. The Provision for doubtful debts is based on a percentage of total outstanding debtors at year end. Bad debts are written off as incurred.

(e) Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Association.

THE MASTER BUILDER'S ASSOCIATION OF TASMANIA

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT.

(f) Property, Plant and Equipment

Valuation

All classes of property, plant and equipment are valued at cost.

Depreciation

Land and Buildings are not depreciated in accordance with AASB 1021. Under AASB 1021 properties which produce an income stream such as rent, can be classified as an investment and therefore no depreciation is applied. Depreciation of all other items of Plant and Equipment is calculated on the reducing balance method in order to write the assets off over their useful life.

Major Depreciation periods are:

	2005	2004
Motor vehicles	4 - 5 years	4 - 5 years
Property, Plant and Equipment	2.5 - 11 years	2.5 - 11 years

(g) Recoverable Amount

Non-current assets measured using the cost basis are not carried at an amount above their recoverable amount, and where carrying values exceeds this recoverable amount, assets are written down.

(h) Revenue recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Association and the income can be reliably measured. The following specific recognition criteria must also be met before income is recognised:

Subscriptions

Control of the right to receive the subscription has been received.

Interest

Interest income is recognised as it accrues.

Sale of Goods

Control of the goods has passed to the buyer.

(i) Inventories

Inventories are valued at the lower of cost or net realisable value.

THE MASTER BUILDER'S ASSOCIATION OF TASMANIA

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT.

(j) Taxes

The provision for income tax is not necessary as "Employers' Associations" are exempt from income tax under Section 23(f) of the Income Tax Assessment Act.

Goods and Services Tax (GST)

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

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included.

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

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

(k) Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

Liabilities arising in respect of wages and salaries, long service leave and annual leave expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled.

The amounts expected to be paid to employees for their pro-rata entitlements for long service leave are accrued annually at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. The pro-rata liability for long service leave is recognised after completion of seven years service. The provision for long service leave has not been calculated in accordance with AASB 1028 "Employee Benefits" due to the small number of staff members and the consequent impracticality of applying the discounting method. The method applied is consistent with prior years.

(l) Comparatives

As discussed in Note 1 (b), the 2004 financial report was prepared as a special purpose financial report, which therefore only required a limited compliance with accounting standards. As such, in the 2005 financial report most comparatives have been reclassified and repositioned for consistency with the current year disclosures required by general purpose financial reporting.

THE MASTER BUILDER'S ASSOCIATION OF TASMANIA

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2005

2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirement of the Workplace Relations Act 1996 the attention of members is drawn to the provisions of sub-sections (1), (2), (3) and (4) of section 274 of that Act, which reads as follows:

- (1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).
- (4) A Registrar may only make an application under subsection (1) at the request of a member of the reporting unit concerned, and the Registrar must provide to a member information received because of an application made at the request of the member.

3. REVENUES FROM ORDINARY ACTIVITIES

<i>Revenues from Operating Activities</i>	2005	2004
	\$	\$
Associate Specialist Contractor	60,478	41,534
Associate Supplier Exchange	15,015	14,090
Building Journal Income	10,331	37,495
Documents	34,707	28,496
Fee for Service	21,713	14,471
Housing Indemnity Guarantee Commission	236,828	190,804
Insurance Rebates	13,654	14,736
Interest Received	21,342	19,249
Subscriptions & Turnover Levies	369,539	367,733
Training	75,803	123,089
Property Income	180,870	152,653
Sundry	27,113	13,506
Total Revenues from Operating Activities	1,067,393	1,017,856
<i>Revenues from Non-Operating Activities</i>		
Proceeds from Sale of Fixed Assets	6,075	-
Carrying value of Fixed Assets sold	(8,425)	-
Write back of prior year liabilities	-	48,377
Total Revenues from Non-Operating Activities	(2,350)	48,377
Total Revenues from Ordinary Activities	1,065,043	1,066,233

THE MASTER BUILDER'S ASSOCIATION OF TASMANIA

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2005

4. EXPENSES AND LOSSES / (GAINS)

(a) Expenses	2005	2004
	\$	\$
<i>Depreciation of Non-Current Assets</i>		
Plant and Equipment	52,108	59,403
Motor Vehicles	15,288	11,553
Total Depreciation of Non-Current Assets	67,396	70,956
<i>Other Expenses</i>		
Accounting & Audit	5,465	4,045
Advertising	13,844	8,272
Annual Dinner Expenses	9,615	11,812
Building Journal Expenses	16,095	58,306
Catering & Meeting Costs	24,436	16,224
Documents	(21,229)	18,170
Federal Subs & Levies	53,282	44,101
Housing Awards	8,959	18,593
Insurances	17,677	17,279
Light & Power	11,312	13,509
MBA History	18,423	25,000
Northern Office Rental	14,800	17,535
Postage & Stamps	18,023	16,372
Printing and Photocopying	19,427	20,795
Property Expenses Rates	39,095	37,619
Property Maintenance	22,069	13,510
Telephone	29,406	26,475
Training	47,291	66,729
Travel Meals & Accommodation	17,584	26,200
Vehicle Running	26,552	17,942
Sundry Expenses	53,126	61,002
Total Other Expenses	445,252	537,646
(b) Losses / (Gains)		
Profit on disposal of Property, Plant & Equipment	(2,350)	-

5. CASH

Cash on Hand	1,500	1,500
Commonwealth Trading Bank	151,132	334,733
Cash Investment	453,136	389,635
TOTAL CASH	605,768	725,868

THE MASTER BUILDER'S ASSOCIATION OF TASMANIA

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2005

6. TRADE RECEIVABLES

		2005	2004
		\$	\$
Trade Receivables	6(a)	110,220	129,277
Provision for Doubtful Debts		(2,152)	(2,584)
TOTAL TRADE RECEIVABLES		108,068	126,693

(a) Terms and Conditions

Terms and conditions relating to the above financial instruments:

(i) Trade debtors are non-interest bearing and generally on 30 day terms.

7. PROPERTY, PLANT & EQUIPMENT

Land and Buildings		1,837,063	1,767,707
Plant & Equipment		571,548	550,188
Less: Accumulated Depreciation		(417,480)	(365,372)
		154,068	184,816
Motor Vehicles		115,389	80,722
Less: Accumulated Amortisation		(45,122)	(40,954)
		70,267	39,768
TOTAL PROPERTY, PLANT & EQUIPMENT		2,061,398	1,992,291

(a) Reconciliations

Land & Buildings

Opening Written Down Value

Add Purchases

Closing Written Down Value

1,767,707
(40,954)
1,726,753

THE MASTER BUILDER'S ASSOCIATION OF TASMANIA

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2005

7. PROPERTY PLANT & EQUIPMENT (CONTINUED)

(a) Reconciliations

Plant & Equipment

Opening Written Down Value

Add purchases

Less Depreciation

Closing Written Down Value

Motor Vehicles

Opening Written Down Value

Add purchases

Less disposals

Less Depreciation

Add Write Back on Amortisation

Closing Balance

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(b) Assets Pledged as security

Included in the balance of Land & Buildings at Cost are assets over which a first mortgage has been granted as security over a bank guarantee. The bank guarantee is in relation to the Housing Indemnity Scheme operated by The Master Builders' Association of Tasmania. Refer to the Contingent Liability Note 15 for further details.

8. CREDITORS

Trade Creditors

GST Liability

TOTAL CREDITORS

103,651	242,307
-	32,589
103,651	274,896

(a) Terms and Conditions

Terms and conditions relating to the above financial instruments:

- (i) Trade creditors are non-interest bearing and normally settled on 30 day terms.

THE MASTER BUILDER'S ASSOCIATION OF TASMANIA

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2005

9. EMPLOYEE ENTITLEMENTS

The aggregate employee entitlement liability is comprised of:

	2005 \$	2004 \$
Provision for Annual Leave	25,032	26,874
Provision for Long Service Leave	37,776	35,288
TOTAL EMPLOYEE ENTITLEMENTS	62,808	62,162

10. ACCUMULATED FUNDS

Accumulated Funds

Balance at Beginning of year	2,512,780	2,435,360
Add Profit for the year	153,406	77,420
TOTAL ACCUMULATED FUNDS	2,666,186	2,512,780

11. AUDITORS REMUNERATION

Amounts received or due and receivable by Wise Lord & Ferguson for:

- an audit or review of the financial report of the Association	2,700
- other services provided	-

THE MASTER BUILDER'S ASSOCIATION OF TASMANIA

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2005

12. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

Cash on Hand	1,500	1,500
Cash at Bank	151,132	342,530
Cash Investment Account	453,136	381,838
	605,678	725,868

(b) Reconciliation of Net Cash Provided by Operating Activities to Operating Profit:

Operating Profit	153,406	77,420
Depreciation	67,396	70,956
(Profit)/Loss on Sale of Non- Current Assets	2,350	-
Increase/(Decrease) in Provisions	646	(1,348)
Increase/(Decrease) in Creditors	(171,791)	151,931
Increase/(Decrease) in Income in Advance	1,475	770
(Increase)/Decrease in Prepayments	(1,388)	8,864
(Increase)/Decrease in Inventories	(52,511)	530
(Increase)/Decrease in Debtors	18,624	(49,716)
Net Cash Provided from Operating Activities	18,207	259,407

13. RELATED PARTY DISCLOSURES

The officers of The Master Builder's Association of Tasmania, during the financial year were:

President	Mr DJ Reid	Councillor	Mr C Burliegh
Senior Vice President	Mr JA Rosevear	Councillor	Mr IG Dent
Vice President	Mr W Licht	Councillor	Mr DS Gray
Treasurer	Mr RG Bloomfield	Councillor	Mr MR Hardacre
Councillor	Mr A Bennett	Councillor	Mr PR Ibbott
Councillor	Mr J Beswick	Councillor	Mr GF Keating
Councillor	Mr NR Bingham	Councillor	Mr IC Mansfield
Councillor	Mr P Thurlow (Resigned 8/4/05)		

Details of loans to officers is Nil

There were no transactions between the officers and the Association other than those relating to their membership of the Association and the reimbursement by the Association in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which would have been adopted by parties at arm's length.

THE MASTER BUILDER'S ASSOCIATION OF TASMANIA

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2005

14. CONTINGENT LIABILITIES

The Master Builders' Association of Tasmania Inc. manages the operation of a Housing Indemnity Scheme, through an agreement with the State Government, which began operation in May 2002. The Master Builders' Association of Tasmania Inc. collect premiums on behalf of builders in relation to the scheme. These premiums less associated costs and an administration fee, are held by the scheme, on trust, to meet the payment of any future approved claims and the associated administration and other costs. Wise Lord & Ferguson audit this scheme. As at 30 June 2005 the scheme had a net asset position of \$1,211,644.

In addition to the funds held on trust, a bank guarantee has been provided by the Association with a specified limit of \$500,000 for the purpose of meeting any future claims. If the value of funds held in trust exceeds a specified limit, the bank guarantee can be written-back at the rate of \$1 for every \$2 of funds in excess of the bank guarantee. As at 30 June 2005 the value of funds held exceeded the specified limit however the bank guarantee had not been written-back. The Master Builders' Association of Tasmania Inc. are only liable to meet claims up to the value of premiums held in trust plus the bank guarantee.

15. INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Master Builder's Association of Tasmania has commenced transitioning its accounting policies and financial reporting from current Australian Accounting Standards to Australian equivalents of International Financial Reporting Standards (AIFRS). The Association has established a project team to assess the impact areas. As the Association has a 30 June year-end, The Master Builder's Association of Tasmania will prepare its first fully IFRS compliant financial report for the year ended 30 June 2006. At this stage the Association believes the impacts of adoption will have no material affect on the financial statements.

16. DESCRIPTION OF OPERATIONS

The principal activities of the Association are to provide benefits to its members.

17. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the year there were no significant changes in the state of affairs.

18. SIGNIFICANT EVENTS AFTER BALANCE DATE

There were no significant events after balance date.

THE MASTER BUILDER'S ASSOCIATION OF TASMANIA

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2005

19. REGISTERED OFFICE

Construction House
85 – 89 Brisbane Street
Hobart Tasmania 7000

20. SEGMENT REPORTING

The Master Builders Association of Tasmania operates predominantly in the one geographical region being Tasmania. The Master Builders Association of Tasmania activities surround the provision of benefits and services to its members.

21. FINANCIAL INSTRUMENTS

(a) Credit risk

Credit risk represents the risk that a counter-party will fail to perform contractual obligations under a contract.

The Association's maximum credit risk exposure at balance date in relation to each class of recognised financial assets, is the carrying amount of those assets as indicated in the Statement of Financial Position. Credit risk exposure for receivables reflects the underlying credit risk inherent in the Association.

These risks are managed through the credit policies implemented by the Association. There is no concentration of credit risk in any particular industry or market segment; however all transactions are within the State of Tasmania.

(b) Liquidity and cash flow risk

Liquidity risk is the risk that the Association will encounter difficulty in realising assets or otherwise raising funds to meet commitments associated with financial instruments. Cash flow risk is the risk that future cash flows associated with financial instruments will fluctuate in amount.

(c) Interest Rate Risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

(d) Net fair values

The carrying amounts of all financial assets and financial liabilities of the Association recognised at balance date generally approximated fair value because of the short term to maturity.

THE MASTER BUILDERS ASSOCIATION OF TASMANIA

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2005**

Note 21 Financial Instruments Cont'd

	Non-interest bearing	Floating interest rate	Fixed interest rate	Carrying amount per balance sheet	Aggregate net fair value	Weighted average effective interest rate
2005						
Financial Assets						
Cash at Bank	152,632	-	-	152,632	152,632	Non-interest bearing
Cash Investment	-	453,136	-	453,136	453,136	5.04%
Other assets	108,068	-	-	108,068	108,068	Non-interest bearing
Total financial assets	260,700	453,136	-	713,836	713,836	
Financial Liabilities						
Accounts payable	103,651	-	-	103,651	103,651	Non-interest bearing
2004						
Financial Assets						
Cash at Bank	336,233	-	-	336,233	336,233	Non-interest bearing
Cash Investment	-	389,635	-	389,635	389,635	4.70%
Other assets	126,693	-	-	126,693	126,693	Non-interest bearing
Total financial assets	107,337	389,635	-	852,561	852,561	
Financial Liabilities						
Accounts payable	274,896	-	-	274,896	274,896	Non-interest bearing

The Company's financial assets and liabilities included in the Statement of Financial Position are carried at cost. Refer to note 21(d) for the methods and assumptions adopted in determining net fair values.