



Australian Government
Australian Industrial Registry

12 March 2009

Christopher Atkins
Executive Director
Master Builders' Association of Tasmania
85-89 Brisbane Street
Hobart TAS 7000
Email: chris@mbatas.org.au

Dear Mr Atkins

MBAT Financial Report year ended 30 June 2008: FR2008/311

I acknowledge receipt of the amended audit report received on 11 March 2009.

The financial report has now been filed.

I make the following comment to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

Documents not lodged in Registry within 14 days of meeting

The documents were presented to a Committee of Management Meeting on 10 October 2008 but were not lodged in the Registry until 16 February 2009.

In future financial years the documents should be lodged in the Industrial Registry within 14 days of the meeting at which they were presented - see s268 of the RAO Schedule.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7882 or by email at sam.christensen@airc.gov.au.

Yours sincerely,

A handwritten signature in cursive script that reads "Sam Christensen".

Sam Christensen
Statutory Services Branch



MASTER BUILDERS
T A S M A N I A

G:\association\COMMITTEES\State Council\FINANCIALS\EOY 2008\2009.03.05 Amended audit report to IR.doc

05 March 2009

Mr S Christensen
Statutory Services Branch
Australian Industrial Registry
GPO Box 1994
MELBOURNE VIC 3001

Dear Sir

FINANCIAL REPORTS – 30 JUNE 2008: MBAT INC.

I write in response to your letter dated 23 February 2009.

Please find enclosed a copy of the Association's amended "Independent Audit Report" for the year ended 30 June 2008. The amended report reflects the requirements of section 257 of the RAO Schedule.

I have also advised all members as to the availability of the amended Report on the Association's web page.

Please contact me should there be any matters to which I need to attend.

C. Atkins.
Executive Director.

Master Builders' Association of Tasmania Inc. ABN 70 540 112 530
www.mbatas.org.au

HEAD OFFICE

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"Building Tasmania Since 1891"



Wise Lord & Ferguson

advice to advantage



Chartered Accountants

- 5 MAR 2009

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 general purpose financial report comprises the income statement, balance sheet, statement of cash flows, statement of changes in equity, 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 2008.

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.

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: Peter Beven, Harvey Gibson, Danny McCarthy,
Douglas Thomson, Joanne Doyle, Stuart Clutterbuck, Ian Wheeler
Managers: Shenna Hurd, Marg Marshall, Sharon Breen, Dean Johnson
Alicia Leis, Melanie Richardson, Nick Carter, Paul Lyons, Kate Barnes
Consultants: Brent Palfreyman, Robert Whitehouse

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.

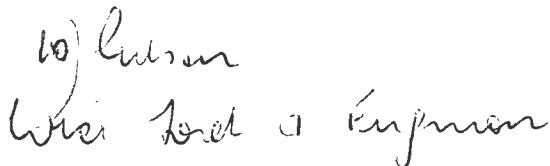
While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

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 general purpose financial report of The Master Builders' Association of Tasmania Inc. as at 30 June 2008 is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 (RAO Schedule) of the Workplace Relations Act 1996, and other mandatory professional reporting requirements in Australia.



H J GIBSON
PARTNER
WISE LORD & FERGUSON
CHARTERED ACCOUNTANTS

Approved Auditor under the Workplace Relations Act 1996

Dated: 31 July 2008



Australian Government
Australian Industrial Registry

23 February 2009

Christopher Atkins
Executive Director
Master Builders' Association of Tasmania
85-89 Brisbane Street
Hobart TAS 7000
Email: chris@mbatas.org.au

CC: H J Gibson
Partner
Wise Lord and Ferguson
GPO Box 1083
Hobart TAS 7001
Email: email@wlf.com.au

Dear Mr Atkins

MBAT Financial Report year ended 30 June 2008: FR2008/311

I acknowledge receipt of the financial report of the Master Builders' Association of Tasmania for the year ended 30 June 2008. The documents were lodged in the Industrial Registry on 16 February 2009.

The financial report has not been filed

Before the report can be filed the Association should attend to the matter referred to below.

Auditor's Report

Subsection 257 of the RAO Schedule deals with the powers and duties of auditors in relation to reporting units. Subsection 257(5) requires the auditor to state, among other things, whether in the auditor's opinion the general purpose financial report is presented fairly. The words 'true and fair view' formed part of the legislative prescription prior to the introduction of Schedule 1 to the Workplace Relations Act 1996 (RAO Schedule) which came into operation on 12 May 2003. I note that this matter has been drawn to the Association's attention previously.

The following wording in an Auditor's Report would satisfy the requirements of section 257 of the RAO Schedule:

In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 (RAO Schedule) of the Workplace Relations Act 1996.

Could you please arrange for your auditor to provide an auditor's report which expresses an opinion in the terms prescribed by section 257 of the RAO Schedule.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7882 or by email at sam.christensen@airc.gov.au.

Yours sincerely,

A handwritten signature in black ink that reads "Sam Christensen". The signature is written in a cursive, slightly slanted style.

Sam Christensen

Statutory Services Branch



MASTER BUILDERS
T A S M A N I A

G:\association\COMMITTEES\State Council\FINANCIALS\WR fr report letter 2008.doc

12 February 2009

Mr L Powell
Statutory Services Branch
Australian Industrial Registry
GPO Box 1994
MELBOURNE VIC 3001

Dear Sir

FINANCIAL REPORTS – MBAT INC.

Please find enclosed a copy of the Association's audited financial reports for the year ended 30 June 2008.

The subject reports were tabled at the Association's Annual General Meeting held on the 8th of August 2008 and adopted at a meeting of the Association's Committee of Management held on 10th October 2008.

Yours faithfully

C. Atkins.
Executive Director.

Master Builders' Association of Tasmania Inc. ABN 70 540 112 530
www.mbatas.org.au

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"Building Tasmania Since 1891"

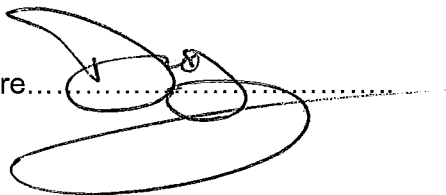
Certificate of Secretary or other Authorised Officer¹

s268 of Schedule 1 *Workplace Relations Act 1996*

I David Arthur MOODY being the President of the Master Builders' Association of Tasmania Inc. 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 after 30 July 2008; and
- that the full report was presented to the Committee of Management at a meeting of that Committee on 10 October 2008; in accordance with section 266 of the RAO Schedule.

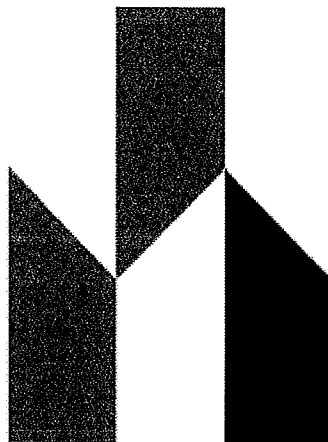
Signature.....

A handwritten signature in black ink, consisting of a large, stylized 'D' followed by 'A. MOODY'. The signature is written over a horizontal dotted line.

Date: 12 February 2009

**MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENT'S REPORT
2007-2008**

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



**MASTER BUILDERS
T A S M A N I A**

"Building Tasmania Since 1891"

PRESIDENT'S REPORT

FOR THE YEAR ENDED 30 JUNE 2008

**Presented at the Annual General Meeting of the
Master Builders' Association Inc. on
Thursday 7th August 2008**

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENT'S REPORT
2007-2008

It is with pleasure that I present this my final report as your President and from the outset I thank you all for your support over the last two years.

Our Industry continues to operate under considerable pressure with rising fuel prices, interest rates, shortage of appropriate resources, steel prices, which are out of control, and Governments, which continue to move the goal posts.

The workload of our Staff continues at high levels and has not been helped by a number of Staff changes that our Executive Director has had to contend with and I thank all staff for their dedication to our Association.

Reform of the Building Act is now finally underway and your Association through the Committees has had a major input into this and in particular major work and submissions by Chris Atkins and Michael Kerschbaum.

Housing Indemnity Insurance has finally been removed as being mandatory, however may be required into the future by clients, banks and builders. Should the demand from members be sufficient, the Association will explore the opportunity of re-introducing the MBA - Housing Indemnity Scheme. This action will not be taken without the support of a majority of Association members. Again as with the Building Act considerable work has been put into this by our Staff and the Association.

Our Association through our Commercial Contractors Committee continues to work on improving the quality of documentation being provided particularly for tendering.

There are many other areas where your Association continues to work on in order to improve the Industry to the benefit of all members.

Such areas are:

- Social Housing and Housing Affordability
- Payroll Tax
- Security of Payment
- MBA Insurance Services
- Planning Systems
- Membership
- Training
- Government Procurement Practices

This year saw the introduction of badging for Association vehicles and Staff uniforms, which is now mandatory for most staff. I thank the staff for their co-operation in this matter.

I also thank all Committee chairs and their respective committee members for their hard work over this past 12 months and reports from these committees follow.

While it has been a difficult year financially for the Association we are in a relatively strong position as our Treasurer will report on later. It should be remembered that this year saw a major investment undertaken in the long over due redevelopment of our North West Office and all who were involved should be congratulated, in particular our Investment Committee.

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENT'S REPORT
2007-2008

I also wish, in this report, to thank the Conference Committee for once again providing a very good Conference and one fully enjoyed by all delegates and sponsors – Well done to you all.

COMMERCIAL SECTOR COMMITTEE

The Commercial Sector Committee, now into its fourth year, continues to be pro-active with various issues including tendering procedures and practices, industrial relations, legislative reform, unions, industrial awards, contractual and commercial services.

The Committee is poised to gain success on two of its strategic items - "Best practice set of documents" and mandatory Code of Practice for induction training in the Construction Industry.

The Committee continued to address the **best practice set of tender documents** with the State Government and a new submission to Government with examples of poor documentation and inappropriate clauses has convinced it to address the issue. The Association motivation is to ensure that the declining quality of project design documentation is addressed and to decrease the reliance on the builder to make a determination and address the risk allocation undertaken by the builder in determining the requirements of the project. With the inclusion of input from the Royal Australian Institute of Architects the Government has agreed to meet with the Association and the Architects to address the issues. A meeting is scheduled for September 2008.

The Code of Practice for Induction Training - In the Construction industry has been supported by Government Industry parties and it has been agreed that the "National Code of Practice – For Induction for Construction Work" be adopted as a Section 22 – mandatory under the Workplace Health and Safety Act. Induction will be whole of industry and although this will provide some challenges in regard to delivery the course to an estimated 15,000 industry participants, the Committee is pleased with this outcome and the impact it will have on safety on the work site.

Contract Works and Legal Liability Insurance - The Committee had indicated to the State Government that it would be satisfied with an annual review of premiums and excesses in regard to this insurance and again the overall premium rate for contract works and legal liability insurance for 2008-2009 has been reduced and will result in significant reductions in the overall premium. Excesses remain competitive.

Government Education and Training Policy Review - The Committee has continued to express its dissatisfaction in regard to the policing of this policy this has resulted in a full review of the policy to be undertaken. Although this review was promised by March 2008 the Association is still awaiting an outcome and has expressed its disappointment with the lack of progress on the matter. The Committee has been informed that the consultancy brief will be prepared as a matter of urgency and that Skills Tasmania is committed to the review.

Government Procurement - Changed Practices - Following the demise of the Public Works Tender Board and the appointment of individual departments to manage the tender process on government projects the Commercial Sector Committee made this an agenda item where members could report any concerns on the tender selection process. Mr C Atkins dealt with a number of inappropriate practices including an on going query on the tender for the North West Maintenance Project (Housing Department).

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENT'S REPORT
2007-2008

National Code of Practice - The Australian Government Building and Construction OH&S Accreditation Scheme - In October 2007 the threshold for OH&S Accreditation for directly funded Federal Government contracts was lowered to \$3 million and the Scheme extended to cover head contractors on building and construction projects indirectly funded by the Australian Government. Given the lower threshold which now applies it is important that Tasmanian companies are accredited under the Commonwealth Scheme. To assist our members in their compliance, three representatives for the Office of the Federal Safety Commissioner visited Tasmania and met individually with members from all regions and also conducted a group information session in the North. All sessions were well supported by our members. The visit has proved significant and that other states also expressed concerns re the onerous compliance burden being imposed on small and medium enterprises because of the complying criteria for Government work imposed by the OFSC, in excess of State jurisdictions. These concerns will be brought to the MBA OH&S sub-committee for them to examine the appropriateness of the current accreditation criteria. Tasmania is no longer a lone voice with concerns for OH&S accreditation for federally funded government projects. Mr Richard Calver, National Director Industrial Relations and Legal Counsel, MBA was also present at the group session and gave a presentation on the Work of the Federal Safety Commissioner.

Apprentice Employment Proposal - Social Housing Initiative - In response to members concerns on a lack of apprentices in identified trades Mr C Atkins developed a submission to the State Government on Apprentice Employment using part of the funds from the \$60 million in funding announced to address social housing issues in Tasmania. Further to this submission it was announced in the State Budget that \$15,000 would be allocated to prepare a business and training plan on the proposed initiative. A positive outcome that could result in the training of a number of skilled persons in the trades.

Payroll Tax Amendments - Mr C Atkins expressed his concerns to Committee members in regard to Tasmania's payroll tax system and its ramifications for members whose payroll tax threshold is above the \$1,001 million threshold and who employ a number of apprentices. The Government will be scrapping the Tasmanian Trainee and Apprentice Scheme and members will no longer receive a rebate for the employment of trainees and apprentices. A Survey Form was forwarded to members to gather information from those who will be affected by removal of the rebate so that it can lobby the Government to remove the proposed removal of the TTAIS.

Succession of Project Managers/Supervisory Staff - Committee members expressed concerns on the poaching of trained staff within their organizations and the need to provide training for current employees so that they are ready to "step up" if a senior person within the Company decided to move on to other areas. Appropriate courses for such a succession plan have been identified and will be delivered later this year and early next year. MBT will also be able to offer Cert V and VI by remote training through MBA ACT in the near future.

ABP - New Categories for Builders - The new Scheme for the Accreditation of Building Practitioners 2008 will change the builder accreditation classes into one of three new Classes. The Association was consulted with in the preparation of the Scheme Document and raised a number of concerns in particular to the "grandfathering" of domestic only builders to Low Rise. The Association requested that domestic only builders must have completed the Certificate IV qualification and have demonstrated competency for the new criteria. Other areas of concern was the determination for a builder's financial capacity and the simplifying of the CPD requirement

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENT'S REPORT
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Future of ABCC - The new Federal Government has confirmed the ABCC will continue until 2010 and also announced a public enquiry into the arrangements for the new Specialist Division within Fair Work Australia as a successor to the ABCC. MBT will participate in the enquiry and make a submission demonstrating the savings and productivity achieved as a result of the ABCC. Mr Nigel Hadgkiss, Deputy Commissioner of the Office of the Australia Building and Construction Commissioner, had expressed an interest in attending a Commercial Sector Meeting later in the year to address members on the future of the ABCC.

EDUCATION AND TRAINING COMMITTEE

- A total of 82 courses delivered in 2007/2008
- A total of 1133 participants and over 10,000 hours of training delivered
- A steady number of enrolments for the Builders Accreditation course, which will potentially give 30+ people ABP status before the end of the year. Some people already waitlisted for 2009 courses.
- The number of non-members (potentially new members) on Builders Accreditation Courses is over 50%.
- More strategic partnerships have been formed with providers and interstate MBTs to offer a wider variety of courses, including:
- Certificate IV in Building & Construction delivered through a self-paced program as alternative to the already existing face-to-face delivery
- Diploma in Building & Construction RPL through a self-paced tutor supported program
- Tilt-up safety
- Rigging
- Drug & alcohol awareness
- Advanced driving
- Conducted a one-day seminar targeted specifically at the remodelling market, which was well attended & received
- Negotiated with various providers to have a number of new courses available for the 08/09 financial year, including:
- Cert. IV sessions in Launceston to be delivered in three-hour sessions one day a week
- Advanced Diploma in Building & Construction (assessment only)
- Construction Supervisor (5 days)
- Project Management (4 days)
- Commercial Contract management (1 day)

HOUSING COMMITTEE

Over the last twelve months, the Housing Committee has looked at a wide range of issues. The items that the Committee has dealt with include:

- Responding to the discussion paper issued by the Department of Consumer Affairs and Fair Trading on *A New Consumer Building Framework*. The Association's substantial response required the convening of a separate sub-committee meeting of the Housing Committee to finalise the matter within the

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENT'S REPORT
2007-2008

Government's tight response period. This paper was widely circulated and input was sought from members at the February monthly meetings and consolidated into the final version.

- The Association's response to the removal of Housing Indemnity Insurance. A survey was sent to members to determine their position on the removal of the mandatory insurance at the end of June. The Committee is currently considering its position on the matter and hoping to relay the information to State Council promptly.
- The development of Planning, Building and Plumbing flowcharts for members, which explain the statutory approval, process in a simple to understand format. These flowcharts were well received by the members and have been requested for use by a Council as well.
- The development of two technical flyers covering slab earthing and plastering problems.
- Supporting the implementation of mandatory generic safety induction program to all industry participants, regardless of whether they operate in the domestic or commercial sectors.
- Supporting the Government's Low, Medium and High Rise categories in principle. The Committee felt that Low Rise builders should have three sub-categories to recognise the limitations of builders at this end of the market. Unfortunately the Government did not support the breaking up of Low Rise builders into separate and distinct sub-categories and has recently introduced the three categories without further sub-categories.
- Changing the Draft Defects Policy to allow for urgent defects to also be included.
- Met with the State Planning Advisor regarding the implementation of Regional Planning Schemes throughout the state. Ongoing dialogue is being maintained between the parties.
- Development and distribution of a Render Disclaimer, which can be used by the builder for render and acrylic texture coating systems, which develop cracks, that are within acceptable tolerances.
- Re-drafting MBT's Preliminary Agreement to make it more current.

The Committee is looking forward to another productive year and is expecting challenges with the Consumer Framework model, BCA energy efficiency requirements and OH & S all likely to play a big part over the next twelve months.

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENT'S REPORT
2007-2008

MEMBERSHIP AND MARKETING COMMITTEE

The Membership and Marketing Committee has enjoyed another successful year. Our dedicated, enthusiastic and diligent team comprising Master Builders Tasmania members

Vonette Mead, Andrew Kilpatrick, and Ty Turner; John Harris from Advantage card and Association staff members Judy Partridge, David Marshall, Matt Donnelly and Chris Atkins have all made outstanding contributions to the committee throughout the last year. Everyone has given generously of their precious time, shared freely their thoughts and ideas and participated fully in the delivery of the committee's achievements.

As a committee we have involved ourselves in a diverse and extensive agenda of items covering both membership benefits and marketing of the Association. Again this year, our singularly biggest event was organising and running the annual conference. This was held at the Launceston Country Club Casino on May 9 and 10 and was deemed by everyone in attendance to be the best conference held to date. The theme of the conference was People, Policies and Principles, all topics extremely relevant for members running a building business in today's busy and increasingly more internet educated and consumer conscious environment. Key note speakers this year included magazine writer and entrepreneur Ian Marsh, Generation X and Y specialist Michael McQueen, perennial conference favourites Tony Pearson from the ANZ Bank and Cathy Aird from VCAT and internationally renowned architect, former test cricketer and AFL footballer, author, radio personality and public speaker, Max Walker. His wit and ability to portray to the audience numerous anecdotes illustrating a life time of involvement in the building industry, were conveyed in such a manner that they undoubtedly became the lasting memories that everyone has retained long after the conference closed.

Another notable achievement attained by our committee this past year has seen the introduction of a staff uniform for Master Builders Tasmania throughout the regional offices. The Association now presents a much more professional image to both our members and the general public alike. As a result of this initiative, Master Builders Tasmania's new logo is also becoming more widely recognised.

The third major achievement of the Membership and Marketing Committee has been the re development and successful launching of the new Master Builders Tasmania website. This is now far more user friendly, with new drop down menus, an interactive section available for members to seek information, a more detailed and comprehensive members only section and all displayed in the new corporate colours and logo of MBT.

In conjunction with the website, the committee is currently working on upgrading our displays at the Home Ideas Centre in both Launceston and Hobart. Also, we are overseeing the introduction of loop DVD presentations on new flat screen televisions in each of the regional offices. The first of these is up and running in the newly renovated Devonport office.

Advantage card has been an ongoing initiative of the Membership and Marketing Committee of Master Builders Tasmania since 2006. Due to the financial considerations involved in purchasing a share holder stake in the programme it had to be given due diligence by the Association. This project has spent considerable time being fully researched by the Investment Committee before being recommended to State Council for its formal adoption. This has now been ratified and Advantage card will be officially launched by Master Builders Tasmania in the near future.

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
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Sponsorship plays a very important role in the charter of our committee. David Marshall has done an outstanding job in this area since joining Master Builders Tasmania just over one year ago. In that time he has secured CBUS, the construction superannuation fund, as a new major sponsor of the Association. Furthermore, the Association has retained the existing sponsorship arrangements we have enjoyed with Boral, and several more new sponsorship deals are currently being negotiated. Our committee sees sponsorship as being an integral part of the overall financial foundation of Master Builders Tasmania going forward. The challenge will of course be to ensure that our corporate sponsors are recognized and remunerated appropriately for the contribution they are making to the Association.

Following a request made to the Membership and Marketing Committee, Master Builders Tasmania organized a member's trip to Melbourne in June this year. Twenty eight members, employees of members and staff left on a weekend of professional development, football and networking opportunities. It was a fantastic trip with visits to three major construction sites being organized for the Saturday morning. These sites represented close to a billion dollars worth of work and included a new seventeen storey hotel, the new rectangular sports stadium adjacent to the MCG and the new Melbourne Eye. It was most impressive to note the speed of construction of these projects, the obvious attention to detail on such big projects and the outstanding occupational health and safety regimes in place on these sites. Members also enjoyed the football from the hospitality of a Corporate Box at the Telstra Dome on Friday night.

Sunday saw members attend Design Build at the exhibition centre. This world class event provided members with an opportunity to see first hand the latest computer software available, new products and materials becoming available in the market place and building techniques that have been recently developed.

Finally, our committee once again organized and conducted the annual Excellence Awards competition. This year we thoroughly reviewed all aspects of this competition, including the development of a newly formatted entry form, new judging criteria where the emphasis has clearly been reinstated to reflect excellence in all aspects of workmanship, and a single judge to evaluate the projects entered. It is hoped that these changes will see an increase in the number of people entering the awards.

Winners of the 2008 Excellence Awards will be announced at the Association's gala night, the Annual Dinner, to be held at Wrest Point Casino on the eighth of August. As the dinner coincides with the opening of the Olympic Games in Beijing, the theme on the night will centre around this major sporting event.

Our committee continues to work hard for the betterment of the Association. We have several other projects under consideration or currently in the process of being implemented. We look forward to continuing to play an active role in developing member services in the coming year and assisting with the financial viability of the Association by further increasing sponsorship revenue.

Once again, many thanks to everyone who participated on our committee. We have shared many happy times together and it has truly been a pleasure to be involved with you all on the Membership and Marketing Committee in 2007-08.

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.

PRESIDENT'S REPORT

2007-2008

NORTH WEST REGION

Ten meetings held over the last 12 months in the region – including 3 in Wynyard and the highly successful combined meeting – North and North West Region members held at Deloraine in November 2007. Members enjoyed the interaction and the regions will promote the combined meetings again in the future.

Average attendance at meetings - **25**

All meetings, except for the Annual General Meeting, included Industry Discussion items – providing members with information on a whole range of products and subjects:

- Clark Windows – NEW PRODUCT - uPVC windows and door units
- MBAIS Insurance Services – the importance of having the right insurance for your business
- Capitalcorp – Association partner – helping members with their financial requirements
- Doug Vautier from Ozhelp on apprentices and assistance given regarding life skills, communication, dealing with difficulties etc.
- Entertaining presentation on the Gunns Renovation Rescue project in Devonport (MBT members and the Association involved in the program)
- Parbury Pty Ltd – whole range of products available
- PBF Australia (inspiring session raising awareness of safety)
- Resilience Flooring and Decking (great new product on the market)

The region recruited eight (8) new members, a number of them from the Certificate IV Course – the academic requirement to become an Accredited Building Practitioner in Tasmania.

The meetings continue to provide an update of what the other Association Committees are dealing with and members kept informed on all areas of the industry.

Items of interest:

- Owner Builder legislation introduced – aimed at reducing the number of Owner Builder projects going forward – the introduction of an Owner Builder course to come
- Members trip to FEA Timber Mill at Bell Bay and Boral quarry at the Nook – great day
- **NATIONAL WINNERS** – two North West members – JW & TJ Beswick and Fairbrother Pty Ltd winners at the National Awards – WELL DONE
- THE BUILDING ACT 2000 - New Scheme for the Accreditation of Building Practitioners to be introduced in July 2008
- HOUSING INDEMNITY – The Government legislated to remove the requirement for Housing Indemnity insurance in Tasmania
- Members Trip to Melbourne in June – great weekend of footy (including visits to multi million dollar building sites and Designbuild)
- Successful 2008 Annual Dinner held at the Hightide Waterfront Restaurant in Devonport – 25 year membership presented to Russell-Smith Pty Ltd – CONGRATULATIONS!!

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENT'S REPORT
2007-2008

Highlight of the last 12 months was the official opening of the refurbished and extended Devonport Office by the President Mr John Rosevear.

The opening, held on 30th April, 2008 was attended by members, honorary and life members, special guests and staff from South, North and North West.

North West Management Committee held 9 meetings for the year, all supported by the Committee members. The Committee welcomes two new members for 08/09 – Mr David Gates and Mr Justin Overton – and thanked retiring members Messrs Phillip Matthews and Stephen Biggs for their time and input. The experience this Committee brings to members is good preparation for when they are ready to move on to State and Executive Council.

A major outcome for this Committee was the realisation of an extended meeting room for the Devonport premises. The final decision by State Council endorsed not only the extension to the meeting/training room, but a complete refurbishment of the premises. The outcome for the Association and members is excellent with state of the art premises, lifting the profile of the Association in the community.

SOUTHERN REGION

The past 12 months seen 10 successful Regional Meetings with various industry discussions as follows:

- Clark Windows – NEW PRODUCT - uPVC windows and door units
- Mr Danilo Yali, Co-ordinator Building and Plumbing Services with the Glenorchy City Council will be discussing the Building Act 2000 and the processes and timeframes contained within the Act.
- Mr John Wilkinson, Senior Inspector with Workplace Standards Tasmania will be discussing the requirements of the Workplace Health and Safety Act 1995.
- The OzHelp Foundation is a workplace based early intervention suicide prevention and social capacity building program.
- Tasmanian Affordable Housing Limited [TAHL] has been established to increase the supply of affordable housing for low income Tasmanians, with long term funding provided by the Tasmanian Government.
- Mr M Kerschbaum presented to the members an overview of the Government Paper on the pending changes to Housing Indemnity Insurance as well as a review and presentation on the draft reply from MBT.
- Mr Matthew Cordell from Parbury Pty Ltd, provided an overview on the services and products offered by Parbury.
- PBF Australia is a not-for-profit organisation and our core business is in helping other organisations prevent fatalities and serious injuries. Presentation to members on the benefits of being a member of PBF.
- Resilience Flooring and Decking in introducing a new range of flooring and decking products to the market.
- Mr Andrew Walker of K& D Warehouse made a presentation to members of their new venture in being the exclusive southern agent and distributor for Choice Form Waffle Pods.

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENT'S REPORT
2007-2008

The meetings continue to provide the members with up to date information on all areas of the industry. Attendee numbers to meeting have been on average around twenty-five (25) per meeting. The format for the meetings has changed slightly as a way of keeping the costs down and hopefully increasing numbers as now the meetings finish earlier in the night. Members have been very receptive to the changes and costs have more than halved. We were also lucky enough to have our June 2008 meeting hosted and sponsored by K&D Warehouse, which proved to be one of our more successful evenings with at least 10 non-regular members attending. Other members have expressed an interest in hosting meetings in the future.

The region recruited thirteen (13) new members this year, but unfortunately had ten (10) members resign as a result of retiring and two who were terminated due to bankruptcy.

Regional Items of interest:

- July 2007 Ms Megan Breen joined our Southern team as the new Southern Administrator.
- July 2007 Mrs Sheena Bass took over the duties of Southern Regional Officer from Mr Michael Kerschbaum.
- Successful 2007 Annual Dinner held at Peppermint Bay, with approximately 85 attendees.
- A number of Southern members enjoyed a trip to Melbourne in June 2008 – great weekend of footy (including visits to multi million dollar building sites and Designbuild).

Southern Management Committee a total of 5 meetings were held between July 2007 and June 2008. Management Committee has identified the need for succession planning within the regions and is looking forward to the future. Management Committee members are encouraged to identify young industry participants who can be invited to the Regional Meetings so they can be introduced to current members and get a feel for how the Association works and what we do.

2007/2008 has seen the end of some major legislative changes, namely the removal of mandatory Housing Indemnity Insurance it has not yet been known fully how this change will affect industry and the consumers.

Members and staff of the Southern Region would also like to thank our outgoing President Mr John Rosevear for a job well done and wish him every success into the future including continued affiliation with the Association in the capacity of a Service Provider member in the Southern Region.

NORTHERN REGION

During the last twelve months our regional office has again experienced staff changes. Once again the Events Coordinator's position was advertised and after a number of applicants were interviewed Matt Donnelly was appointed to the position in early February.

I am sure you will all agree with me that he has done a tremendous job in the short time that he has been with the Association. He immediately took over ownership of the organizational side of the Association's Annual Conference and Building Tomorrow IV held at the Launceston Federal Country Club Casino on May 9th and 10th was unanimously acclaimed as another tremendously successful event hosted by Master Builders Tasmania.

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENT'S REPORT
2007-2008

One year on David Marshall has made the Northern office his own and has developed a good rapport with all our members. He has done an outstanding job for Master Builders Tasmania securing numerous major sponsorship deals with prominent companies. These include a new platinum sponsor CBUS, the Building Industry Superannuation Fund, corporate deals with MBF and St Lukes Health, and extending our relationship and involvement with the Boral Group of Companies.

To Claire Doran, thank you for your contribution to the Association over the last twelve months as our receptionist. Without your efforts members would not have had their Home Owners Warranty policies completed so efficiently, nor would there be a football tipping competition for members to participate in each week.

Attendance at the Monthly Meetings is the best way for a member to be kept informed and I am pleased to be able to report that our region has maintained an average monthly attendance of thirty members throughout the year. Our meetings have once again been mostly held at the Tamar Yacht Club. However, we did hold one excellent meeting in April this year at the Clipsal Power House at the Home Ideas Centre and one disappointing meeting at the Commercial Hotel, a venue deemed unsuccessful due to the absence of the promised private function room. Guest speakers at our monthly meetings this year have included The former Mayor of Launceston and Member for Windermere in the Legislative Council, Ivan Dean, The Australian Technical College, Matthew Cordell from Parbury, CBUS, Robyn Sherd-McVey from MBAIS, Tony North from the Paraplegic Benefit Fund and Leigh Murphy from Resilience Flooring and Decking. All speakers delivered informative and thought provoking presentations to the members.

Our long time Honorary Members Reg Walley and Allan Orr have now been joined by Ian Dent and Tom Vimpany as regular attendees and highly valued and respected contributors to the Association at our monthly regional meetings. They have been joined this year in this elite membership category by Max Seymour, our former Manager of Membership Services and Marketing. He was presented with Honorary Membership of the Association at the inaugural joint monthly meeting held with the North West Region at the Deloraine Golf Club in November last year. With over sixty people in attendance at this function it was undoubtedly the stand out regional function of the year.

I am sure all our Honorary Members will continue to be mentors for all our younger members by passing on freely the knowledge and experiences they have gained over a lifetime of involvement within the building industry.

Once again this year our region was well represented at the Annual Excellence Awards presented at Master Builders Tasmania's gala night at Wrest Point last August. We had several individual winners covering both domestic and commercial building categories. Excellence is something that can only be achieved by years of dedication, hard work and a continual desire to improve ones standard. I would encourage all members to always strive to be the best they can be, and be proud to say they are a Master Builder. This year the Excellence Award winners will be announced at Wrest Point Casino on August the eighth. This coincides with the opening of the Olympic Games in Beijing and the theme of the dinner this year will be focussed around this event. There is an obvious synergy between the Olympic Games and the Excellence Awards. To produce one's best building work and to participate in this event in the true spirit of sportsmanship for the honour and glory of the Association is undoubtedly more important than winning.

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENT'S REPORT
2007-2008

This year the Northern Region was well represented on State Council by its elected members. Again joining me on State Council were Ken Lawson, Jim Dickenson, Andrew Kilpatrick and David Murray. We have all tried to represent the interests of the north and the Association as a whole, to the best of our abilities.

In closing this our Annual Report for 2007/2008 in again thanking all members and Staff in making my term in office a very enjoyable one and which I trust I carried out my duties at all times in the interest of members and the Association without too much interference with the Staff and their daily duties.

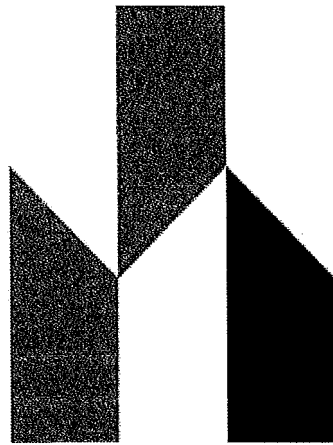
I wish our incoming President David Moody and his Executive and Sate Councillors all the best for the year ahead and congratulate them on their election.

Thank you one and all.

John A Rosevear
President.

MASTER BUILDERS' ASSOCIATION OF TASMANIA INC.
PRESIDENTS REPORT
2006-2007

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



**MASTER BUILDERS
TASMANIA**

"Building Tasmania Since 1891"

TREASURER'S REPORT

And

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2007

**Presented at the Annual General Meeting of the
Master Builders' Association Inc. on
Thursday 9th August 2007**

TREASURER'S REPORT 2007 - 2008

Members, it is my pleasure to present my second Report as Treasurer of the Association as to the financial operations of the Association for the 2007 – 2008 financial year. The report of accounts also includes the 2008 Auditor's report for the fiscal year. Interestingly this report is the 117th report issued by the Master Builders' Association of Tasmania Inc.

The Association's operations have the advantage of effectively being insulated against the vagaries of the economic conditions and financial markets currently faced by the industry and it is therefore even more pleasing to be able to report that we have addressed the loss recorded last year and been able to record a surplus of \$81,275.00. This result has been achieved by prudent financial management, a focus on delivery services required to assist members and an increased level of support from our business partners.

In accordance with the Association's strategic objective to reduce the reliance on membership subscriptions to run the Association, membership subscriptions as a percentage of total income continues to decrease. It has decreased from 40 percent in 2006 to 35 percent in 2007 and in 2008 it now represents just 31 percent. Whilst 35 percent is an indicative industry benchmark for this financial indicator, it is our intention to ensure this trend continues well into the future.

Rental income grew by 4.4. percent in 2007-08 and will continue to be a significant contributor to the Associations income streams. As a percentage of total income, rental receipts represents 19.3 percent, this is closely followed by training, which is 19.2 percent of total income.

The provision of the Housing Indemnity service to members contributed a gross income of \$81,632.00 during 2008, however as you are aware the Government have removed the legislative requirement mandating this insurance. This action will and its consequences will place pressure on our financial operations during 2009 and the years to come.

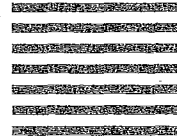
A number of the significant changes in the levels of income from the various sources has been generated through a changed method of reporting. Traditionally a number of specific income and expenditure items have netted for example the annual dinner, annual awards and the conference etc. In 2008 we have recorded the income and expenses separately, not netted them, hence some of the variations.

Our gross income increased by 14.8 percent over 2007-08 and our gross expenses increased by 7.8 percent during the same period. These types of outcomes, where they can be continued augurs well for our combined futures. The increase in expenses in this year is significantly below the increase of last year, which was 23.9 percent. That increase was generated by the introduction of a depreciation expense for buildings, which had not previously been the case. This year's figures confirm that we have managed this impost and are likely to continue into the future.

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 2008.


G F Keating
TREASURER

30 July 2008



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 general purpose financial report comprises the income statement, balance sheet, statement of cash flows, statement of changes in equity, 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 2008.

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.

1st Floor 160 Collins Street Hobart TAS 7000 GPO Box 1083 Hobart TAS 7001

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Partners: Peter Beven, Harvey Gibson, Danny McCarthy,

Douglas Thomson, Joanne Doyle, Stuart Clutterbuck, Ian Wheeler

Managers: Shenna Hurd, Marg Marshall, Sharon Breen, Dean Johnson

Alicia Leis, Melanie Richardson, Nick Carter, Paul Lyons, Kane Ingham, Kate Barnes

Consultants: Brent Palfreyman, Robert Whitehouse

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.

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.

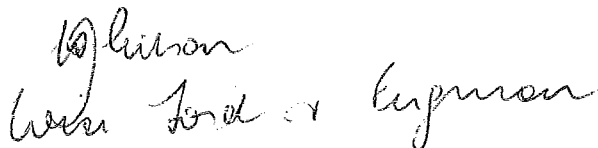
Independence

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 general purpose 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 2008 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 1 of the Act; and
- (b) other mandatory professional reporting requirements in Australia.



H J GIBSON
PARTNER
WISE LORD & FERGUSON
CHARTERED ACCOUNTANTS

Approved Auditor under the Workplace Relations Act 1996

Dated:

31 July 2008

THE MASTER BUILDERS' ASSOCIATION OF TASMANIA

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2008

	Notes	2008 \$	2007 \$
Revenue	3	1,595,586	1,389,890
Other Income	3	4,358	-
Less Expenses			
Depreciation expense	4	108,445	118,950
Employee Benefits Expense		518,615	491,194
Other Expenses	4	891,609	790,032
TOTAL EXPENSES		1,518,669	1,400,176
NET PROFIT (LOSS)		81,275	(10,286)

The accompanying notes form part of these financial statements.

THE MASTER BUILDERS' ASSOCIATION OF TASMANIA

BALANCE SHEET

AS AT 30 JUNE 2008

	Notes	2008 \$	2007 \$
CURRENT ASSETS			
Cash	5	361,843	547,855
Prepayments		14,760	10,872
Stock		57,726	52,702
Trade Receivables	6	234,111	242,708
TOTAL CURRENT ASSETS		668,440	854,137
NON-CURRENT ASSETS			
Investment in MBAIS	14	30,000	30,000
Property, Plant & Equipment	7	3,639,445	3,376,119
TOTAL NON-CURRENT ASSETS		3,669,445	3,406,119
TOTAL ASSETS		4,337,885	4,260,256
CURRENT LIABILITIES			
Creditors	8	100,861	60,415
Accrued Expenses		-	2,298
Income Received in Advance		50,502	36,073
Employee Entitlements	9	71,517	61,074
HIS Claim Liability	14, 1(k)	200,000	266,666
TOTAL CURRENT LIABILITIES		422,880	426,526
TOTAL LIABILITIES		422,880	426,526
NET ASSETS		3,915,005	3,833,730
ACCUMULATED FUNDS & RESERVES			
Accumulated Funds & Reserves	10	3,915,005	3,833,730

The accompanying notes form part of these financial statements.

THE MASTER BUILDERS' ASSOCIATION OF TASMANIA
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

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. Cost is based on fair values of the consideration given in exchange for assets. The financial report is presented in Australian dollars.

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

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(c) 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. An allowance for doubtful debts is made when there is objective evidence that collection of the debt is no longer probable. Bad debts are written off as incurred.

(d) Inventories

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

(e) 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.

(f) 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 BUILDERS' ASSOCIATION OF TASMANIA
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(g) Property, Plant and Equipment

Valuation

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

Depreciation

Land is not depreciated. Depreciation of items of Equipment and Motor Vehicles is calculated on the reducing balance method in order to write the assets off over their useful life. Depreciation on Buildings is calculated on a Straight Line basis at 2%.

Major Depreciation periods are:

	2008	2007
Motor vehicles	4 - 5 years	4 - 5 years
Plant and Equipment	2.5 - 11 years	2.5 - 11 years
Buildings	50 years	50 years

Impairment

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date. The recoverable amount of property, plant and equipment is the higher of fair value less costs to sell and value in use. An impairment exists when the carrying value of an asset exceeds its recoverable amount. The asset is then written down to its recoverable amount. Impairment losses are recognised in the income statement.

(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.

THE MASTER BUILDERS' ASSOCIATION OF TASMANIA
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(i) 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.

(j) 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 119 "Employee Benefits" due to the small number of staff members and the consequent impracticality of applying the discounting methodology. The method applied is consistent with prior years.

(k) HIS Claim Liability

As discussed in further detail in note 14 the Association managed a Housing Guarantee Scheme which was open until 30 June 2005. The scheme is now closed but the Association remains liable to make payouts for claims which pass the approval process for the subsequent 6 years. The scheme when closed on 30 June 2005 was valued by an independent actuarial assessment. The balance of this actuarial liability will be amortised over the remaining life of the scheme. As such on 1 July 2005 the actuarial assessed liability for claims was entered into the Associations accounts for \$400,000. This amount is being amortised over the 6 years commencing 1 July 2005.

THE MASTER BUILDERS' ASSOCIATION OF TASMANIA

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2008

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 272 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. Revenue

	2008	2007
	\$	\$
Associate Specialist Contractor	60,029	60,318
Associate Supplier Exchange	16,630	15,698
Documents	22,931	25,121
Fee for Service	51,950	84,829
Housing Indemnity Guarantee Commission	455	(1,092)
Housing Indemnity	81,632	75,954
Insurance Rebates	11,417	19,117
Interest Received	27,972	27,259
MBA Conference	81,497	85,170
Subscriptions	422,323	410,447
Training	306,650	253,810
Property Income	307,673	294,609
Sponsorship	32,500	-
Pathways Program Income	19,700	-
Housing Awards/Annual Dinner Income	72,389	-
Sundry Revenue	79,838	38,650
Total Revenue	1,595,586	1,389,890
Other Income		
Profit on Sale of Fixed Assets	4,358	-
Total Other Income	4,358	-

THE MASTER BUILDERS' ASSOCIATION OF TASMANIA
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

4. EXPENSES AND LOSSES

Expenses	2008	2007
	\$	\$
<i>Depreciation of Non-Current Assets</i>		
Plant and Equipment	29,691	47,418
Buildings	51,098	50,112
Motor Vehicles	27,656	21,420
Total Depreciation of Non-Current Assets	108,445	118,950
<i>Other Expenses</i>		
Accounting & Audit	4,360	4,279
Advertising	39,531	25,825
Annual Dinner Expenses	35,562	(878)
Bad Debts	2,290	12,665
Bank Charges	1,787	694
Building Journal Expenses	11,475	9,142
Catering & Meeting Costs	28,063	27,266
Documents	11,885	20,400
Federal Subscriptions	62,736	52,682
Housing Awards/Annual Dinner Expense	88,765	14,305
Housing Guarantee Scheme	(44,406)	7,965
Insurances	17,345	26,947
Light & Power	12,707	12,738
Loss on Sale of Fixed Asset	2,744	2,781
MBA Conference	49,122	64,570
Northern Office Rental	226	3,400
Postage & Stamps	20,801	18,882
Printing and Photocopying	28,300	41,541
Property Expenses- Rates	61,641	53,593
Property Maintenance	52,339	28,458
Sponsorship	2,237	-
Telephone	31,573	33,067
Training	242,397	169,446
Travel Meals & Accommodation	21,448	21,471
Vehicle Running	23,311	21,985
Sundry Expenses	83,370	116,808
Total Other Expenses	891,609	790,032

THE MASTER BUILDERS' ASSOCIATION OF TASMANIA
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

	Notes	2008 \$	2007 \$
5. CASH			
Cash on Hand		1,500	2,000
Commonwealth Trading Bank		127,129	70,614
Cash Investment		233,214	475,241
TOTAL CASH		361,843	547,855
6. TRADE RECEIVABLES			
Trade Receivables	(a)	240,060	246,367
Provision for Doubtful Debts		(5,949)	(3,659)
TOTAL TRADE RECEIVABLES		234,111	242,708
(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		712,000	712,000
Buildings		2,822,037	2,505,576
Less: Accumulated Depreciation		(101,210)	(50,112)
		2,720,827	2,455,464
Plant & Equipment		616,726	600,207
Less: Accumulated Depreciation		(524,309)	(494,618)
		92,417	105,589
Motor Vehicles		146,436	132,292
Less: Accumulated Depreciation		(32,235)	(29,226)
		114,201	103,066
TOTAL PROPERTY, PLANT & EQUIPMENT		3,639,445	3,376,119

THE MASTER BUILDERS' ASSOCIATION OF TASMANIA
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

	2008 \$	2007 \$
PROPERTY PLANT & EQUIPMENT - CONTINUED		
(a) Reconciliations		
<i>Buildings</i>		
Opening Written Down Value	2,455,464	2,488,374
Less Depreciation	(51,098)	(50,112)
Add Extensions	316,461	17,202
Closing Written Down Value	<u>2,720,827</u>	<u>2,455,464</u>
<i>Plant & Equipment</i>		
Opening Written Down Value	105,589	141,764
Add Purchases	16,519	11,243
Less Depreciation	(29,691)	(47,418)
Closing Written Down Value	<u>92,417</u>	<u>105,589</u>
<i>Motor Vehicles</i>		
Opening Written Down Value	103,066	94,551
Add purchases	67,408	53,483
Less disposals	(28,617)	(23,548)
Less Depreciation	(27,656)	(21,420)
Closing Balance	<u>114,201</u>	<u>103,066</u>
8. CREDITORS		
Trade Creditors	(a) 91,041	60,170
GST Liability	9820	245
TOTAL CREDITORS	<u>100,861</u>	<u>60,415</u>

(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 BUILDERS' ASSOCIATION OF TASMANIA
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

	Notes	2008 \$	2007 \$
9. EMPLOYEE ENTITLEMENTS			
The aggregate employee entitlement liability is comprised of:			
Provision for Annual Leave		25,966	23,583
Provision for Long Service Leave		45,551	37,491
TOTAL EMPLOYEE ENTITLEMENTS		71,517	61,074
10. ACCUMULATED FUNDS			
Accumulated Funds			
Balance at Beginning of year		3,833,730	3,844,016
Add Profit (loss) for the year		81,275	(10,286)
TOTAL ACCUMULATED FUNDS		3,915,005	3,833,730
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		4,360	4,279
		4,360	4,279

THE MASTER BUILDERS' ASSOCIATION OF TASMANIA
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

	2008 \$	2007 \$
12. NOTES TO THE STATEMENT OF CASH FLOWS		
(a) Reconciliation of Cash		
Cash on Hand	1,500	2,000
Cash at Bank	127,129	70,614
Cash Investment Account	233,214	475,241
	361,843	547,855
(b) Reconciliation of Net Cash provided by (used in) Operating Activities to Net Profit (Loss):		
Net Profit (Loss)	81,275	(10,286)
Depreciation	108,445	118,950
(Profit)/Loss on Sale of Non- Current Assets	(1,614)	18,094
Amortisation of HIS Claim Liability	(66,666)	(66,666)
Increase/(Decrease) in Provisions	10,443	(16,618)
Increase/(Decrease) in Creditors/Accruals	38,148	(3,197)
Increase/(Decrease) in Income in Advance	14,429	(22,927)
(Increase)/Decrease in Prepayments	(3,888)	5,733
(Increase)/Decrease in Inventories	(5,024)	5,281
(Increase)/Decrease in Debtors	8,597	(82,131)
Net Cash provided by (used in) Operating Activities	184,145	(53,767)

13. RELATED PARTY DISCLOSURES

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

President	Mr J Rosevear	Councillor	Mr A Kilpatrick
Senior Vice President	Mr D Moody	Councillor	Mr K Lawson
Vice President	Mr P Watts	Councillor	Mr W Licht
Treasurer	Mr GF Keating	Councillor	Mr T Mead
Councillor	Mr A Bennett	Councillor	Mr D Murray
Councillor	Mr S Davidson	Councillor	Mr D Reid
Councillor	Mr J Dickenson	Councillor	Mr S Glanville
Councillor	Mr PR Ibbott		

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 BUILDERS' ASSOCIATION OF TASMANIA
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

14. HOUSING GUARANTEE SCHEME

The Master Builders' Association of Tasmania Inc. managed the operation of a Housing Guarantee Scheme, through an agreement with the State Government, which began operation in May 2002 and was closed to new premiums on 30 June 2005. The Housing Guarantee Scheme was valued by an actuary as at 30 June 2005 and the outstanding claims were assessed at \$400,000. Wise Lord & Ferguson audited this scheme and as at 30 June 2005 the scheme had a net asset position of \$1,135,393.

The Housing Guarantee scheme has historically been reported as a separate entity. The scheme has now been accounted for in the Associations accounts by consolidating the 1 July 2005 scheme balances into the Associations accounts. All transactions related to the scheme subsequent to this date have been recognised in the Associations accounts. The following account balances, as audited by Wise Lord & Ferguson, were therefore taken up in the Associations accounts at 1 July 2005.

	\$
Cash and Cash Investments	1,450,113
Receivables	55,280
Investment in MBAIS	30,000
Accrued Claims Liability	(400,000)
Accumulated Funds	(1,135,393)

15. CONTINGENT ASSETS AND LIABILITIES

As at 30 June 2008, The Master Builders' Association of Tasmania Inc. has a contingent liability in relation to the Housing Guarantee Scheme. The Association is liable for all funds that were available to the scheme as at 30 June 2005, in settlement of both the administration of the scheme and any claims made to the scheme which satisfy the approval process, up to this value

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.

THE MASTER BUILDERS' ASSOCIATION OF TASMANIA
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

18. SIGNIFICANT EVENTS AFTER BALANCE DATE

There were no significant events after balance date.

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 Balance Sheet. 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.

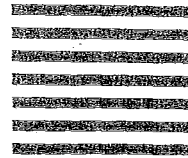
THE MASTER BUILDERS' ASSOCIATION OF TASMANIA

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2008

Note 21. Financial Instruments - Continued

	Non-interest bearing	Floating interest rate	Fixed interest rate	Carrying amount per balance sheet	Aggregate net fair value	Weighted average effective interest rate
2008						
Financial Assets						
Cash at Bank	128,629	-	-	128,629	128,629	Non-interest bearing
Cash Investment	-	233,214	-	233,214	233,214	5.10%
Other assets	234,111	-	-	234,111	234,111	Non-interest bearing
Total financial assets	362,740	233,214	-	595,954	595,954	
Financial Liabilities						
Accounts payable	100,861	-	-	100,861	100,861	Non-interest bearing
2007						
Financial Assets						
Cash at Bank	72,614	-	-	72,614	72,614	Non-interest bearing
Cash Investment	-	475,241	-	475,241	475,241	5.04%
Other assets	242,708	-	-	242,708	242,708	Non-interest bearing
Total financial assets	315,322	475,241	-	790,563	790,563	
Financial Liabilities						
Accounts payable	60,415	-	-	60,415	60,415	Non-interest bearing

The Associations financial assets and liabilities included in the Balance Sheet are carried at cost. Refer to note 21(d) for the methods and assumptions adopted in determining net fair values.



Wise Lord & Ferguson

Chartered Accountants


advice to advantage

The Commissioner
Corporate Affairs
GPO Box 2490
HOBART TAS 7001

I advise that, as at the 30th June 2008 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	Mr John Rosevear
Senior Vice President	Mr David Moody
Vice President	Mr Phillip Watts
Treasurer	Mr Graham Keating

Councillors	Mr Andrew Bennett
	Mr Shane Davidson
	Mr Jim Dickenson
	Mr Paul Ibbott
	Mr Andrew Kilpatrick
	Mr Ken Lawson
	Mr Wayne Licht
	Mr Tim Mead
	Mr David Murray
	Mr Denis Reid
	Mr Scott Glanville


Wise Lord & Ferguson

H J Gibson
Partner
WISE LORD & FERGUSON

1/160 Collins Street
HOBART TAS 7000

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

Dated: 3 July 2008

COMMITTEE OF MANAGEMENT'S STATEMENT

I, Graham Keating being a designated officer of the Master Builders' Association of Tasmania Inc., report that the Committee of Management of the Association resolved on the 30th of July 2008 that the following declarations, passed by the Committee, in relation to the financial report of the Association for the year ended 30 June 2008 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 2008;
- (d) the financial statements and notes comply with the Australian Accounting Standards;
- (e) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (f) 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
- (g) during the financial year ended 30 June 2008 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 1 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; and
 - (v) the information sought in any request of a member of the Association or a Registrar duly made under Section 272 of Schedule 1 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 to the Workplace Relations Act 1996.

For the Committee of Management: Graham Keating

Title of Office Held: Treasurer

Signature:



30-7-08

Date:

OPERATING REPORT

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 construction contracting, to assist them in the execution of their work and to encourage and promote a high standard of workmanship and integrity in the building industry.

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

As at 30 June 2008 the Association employed ten staff supporting a total membership of 450. Rule 9 of the Association's Constitution provides that:

"9 - RESIGNATION OF MEMBERS

(a) *Any Member may resign from membership by written notice addressed and delivered to the Executive Director.*

(b) *A notice of resignation from membership of the Association takes effect:*

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

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

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

whichever is later; or

(ii) *In any other case:*

(a) *at the end of 2 weeks after the notice is received by the Association; or*

(b) *on the day specified in the notice;*

whichever is later.

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

(d) *A notice delivered to the Executive Director shall be taken to have been received by the Association when it was delivered.*

(e) *A notice of resignation that has been received by the Association is not invalid because it was not addressed and delivered in accordance with sub-section (a).*

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

No officer or member of the reporting unit is a trustee of superannuation entity.

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

Current State Council Members are:

President

Mr JA Rosevear

Elected: 10.08.2006 **Tenure expires:** 07.08.2008 **Resigned:** n/a

Senior Vice President & Southern Regional Representative

Mr David Moody

Elected: 09.08.2007 **Tenure expires:** 07.08.2008 **Resigned:** n/a

Vice President & Northern Regional Chairman

Mr P Watts

Elected: 10.08.2006 **Tenure expires:** 07.08.2008 **Resigned:** n/a

Treasurer

Mr GF Keating

Elected: 09.08.2007 **Tenure expires:** 07.08.2008 **Resigned:** n/a

State Councillor

Mr A Bennett

Elected: 09.08.2007 **Tenure expires:** 07.08.2008 **Resigned:** n/a

North West Regional Representative

Mr S Davidson

Elected: 09.08.2007 **Tenure expires:** 07.08.2008 **Resigned:** n/a

State Councillor

Mr J Dickenson

Elected: 10.08.2006 **Tenure expires:** 07.08.2008 **Resigned:** 22.06.2008

State Councillor

Mr S Glanville

Elected: 19.09.2007 **Tenure expires:** 07.08.2008 **Resigned:** n/a

State Councillor

Mr PR Ibbott

Elected: 10.08.2006 **Tenure expires:** 07.08.2008 **Resigned:** n/a

State Councillor

Mr A Kilpatrick

Elected: 10.08.2006 **Tenure expires:** 07.08.2008 **Resigned:** n/a

State Councillor

Mr K Lawson

Elected: 10.08.2006 **Tenure expires:** 07.08.2008 **Resigned:** n/a

North West Regional Chairman

Mr T Mead

Elected: 09.08.2007

Tenure expires: 07.08.2008

Resigned: n/a

State Councillor

Mr W Licht

Elected: 19.09.2007

Tenure expires: 07.08.2008

Resigned: n/a

Northern Regional Representative

Mr D Murray

Elected: 09.08.2007

Tenure expires: 07.08.2008

Resigned: n/a

State Councillor

Mr D Reid

Elected: 10.08.2006

Tenure expires: 07.08.2008

Resigned: n/a

Signed:

John A Rosevear

Dated this 30th day of July 2008

Signed:

Graham F Keating

Dated this 30th day of July 2008