



ABN:54 527 741 841
11/396 Stuart Highway
Winnellie NT 0820
PO Box 37121
Winnellie NT 0821
Telephone: 08 8922 9666
Facsimile: 08 8922 9600
Website: www.mbant.com.au
Email: info@mbant.com.au

14 September 2011

Mr. Andrew Schultz
Tribunal Services and Organisations
Fair Work Australia
GPO Box 1994
Melbourne Victoria 3001

Dear Mr. Schultz

Re: Revised Audits for 2008-2009 and 2009-2010

I have pleasure in providing the revised audits as requested by you for the above accounting periods.

The documents attached include:-

1. The revised audit prepared by former auditors JKY & Associates for 2008-2009
2. The revised audit prepared by former auditors JKY & Associates for 2009-2010
3. A copy of the email sent to me by the new Auditor BDO setting out the required corrections to the two abovementioned audit documents which were then used to task the former auditor to carry out the corrections to the two audits mentioned above.
4. A copy of the Minutes of the Executive Committee held on 5 July 2011 wherein the revised audits were adopted.

It needs to be noted that the corrected audits were sent to Members on Monday 11 July.

In relation to the 2010-2011 audit, a meeting of the Executive Committee was held on Monday 12 September 2011 at which the audited financial statements for the 2010-2011 year were accepted and signed off. These have been returned to the Auditor for signing off on the Audit Report and the fully signed copy will be sent to Members on 15 September so that we can comply with the provisions of Rule 18 of our Constitution.

I have attached a copy of the Statement by the Board of Management in relation to the most recent audit which has been duly signed off by the President and Treasurer.

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Thank you for your patience in allowing us to deal with these issues correctly. I would be happy to answer any questions or provide further information as required.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Jeff Colver', with a large, stylized flourish extending from the end of the signature.

Jeff Colver
General Manager Operations

**TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED**

General Purpose Financial Statements
For the year ended 30 June 2009

JKY & CO.
Certified Practising Accountant
PO Box 38233
Winnellie NT 0821

**TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED**

OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2009

The Association, being the Committee of Management for the purposes of the Fair Work (Registered Organisations) Act 2009, presents its operating report of the Territory Construction Association Incorporated for the financial year ended 30 June 2009,

Committee of Management

The names of each committee member of the association during the relevant financial year were:

Greg McLaughlin	Danny Jansen
Dick Guit	Graeme Wigg
Paul Nowland	Phil Storey
John Brears	Charles Wright
Sandy Kirsopp	David Irvine
Matt Sharp	Ben Bowden
James Taylor	Roger Pearson
Richard Riedel	Kevin Page
Tony Roach	Hanrietta Grosse
David Malady	

Principal Activities

The principal activities of the association during the relevant financial year were:

To promote the interests of the building and construction industry in the Northern Territory;

To safeguard the interests of its members against injustice in their regular business and such activities as are ancillary to the building and construction industry;

To protect its members against injustice or oppression in the fair and proper execution of such works as they may undertake from time to time to carry out;

To establish a code of ethics and good business practice amongst members;

**TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED**

OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2009

To take an active part in assisting or opposing such public movements as may appear likely to affect its members' interests in the carrying on of their business;

To secure to its members all the advantages of unity of action in any lawful manner whatsoever;

To maintain and improve conditions of contracts, forms of agreement, conditions of tendering and the like and to enter into agreements with the Royal Australian Institute of Architects or similar bodies, public authorities the Commonwealth and Northern Territory authorities and lending institutions.

Results of Activities

- (b) The net loss of the association for the relevant financial year was:
\$52,704.30

Significant Changes in Nature of Activities or Financial Affairs

There were significant changes in the Induction Training Courses income, members subscriptions, and standards Income derived for the Association during the year. The overall income did increase.

Membership of the Association

The number of members of the Association at the end of the financial year was 222.

Employees of the Branch

The number of persons employed by the Association during the financial year at one time were 7.

**TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED**

OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2009

Rights of members to Resign

Members retain their right to resign from the Territory Construction Association Incorporated in accordance with section 10 of the Federal Rules and Section 174 of chapter 6 to the Fair Work (Registered Organisations) Act 2009. In accordance with Fair Work (Registered Organisations) Act 2009 a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

Superannuation Trustees

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


.....
PRESIDENT

05/07/2011
.....
DATED


.....
VICE PRESIDENT

05/07/2011
.....
DATED

**TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED**

COMMITTEE OF MANGEMENT STATEMENT

FOR THE YEAR ENDED 30 JUNE 2009

On the 12th of March 2010 the Committee of Management of the Territory Construction Association Incorporated passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2009 as follows:

In our opinion –

- a) The financial report and notes comply with the Australian Accounting Standards;
- b) The financial report and notes comply with the reporting guidelines of the Industrial Registrar;
- c) the accompanying financial report as set out on the following pages, being a general purpose financial statement, is drawn up so as to present fairly the state of affairs of the Association as at 30 June 2009 and the results of the Association for the year ended on that date:
- d) the accounts of the Association have been properly prepared and are in accordance with the books of account of the Association; and
- e) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.
- f) During the financial year ended 30 June 2009 and since the end of the financial year;
 - (i) Meetings of the Committee of Management of the Association were held in accordance with the rules of the organisation.
 - (ii) The financial affairs of the Association have been managed in accordance with the rules of the organisation.
 - (iii) The financial records have been kept and maintained in accordance with Part 8(Records and accounts) of the Fair Work (Registered Organisations) Act 2009 and;
 - (iv) The organisation only consists of one reporting unit therefore the issue of consistency of financial reporting between the branches of an organisation does not arise.

**TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED**

COMMITTEE OF MANAGEMENT STATEMENT

FOR THE YEAR ENDED 30 JUNE 2009

- (v) No information has been sought in any request of a member of the Association or a registrar duly made under Fair Work(Registered Organisation) Act 2009; and
- (vi) No orders for inspection of financial reports have been made by the Fair Work under section 273 of Fair Work Australia (Registered Organisation) Act 2009.


.....
PRESIDENT

05/07/2011
.....
DATED

JKY & CO.

CERTIFIED PRACTISING ACCOUNTANT

PO Box 38233
48 Albatross Street
WINNELLIE NT 0821
Ph: 89477030
Fax: 89477032

JOHN YOUSEF CPA
Commissioner for Oaths

TERRITORY CONSTRUCTION ASSOCIATION INCORPORATED

INDEPENDENT AUDITOR REPORT

FOR THE YEAR ENDED 30 JUNE 2009

SCOPE

I have audited the attached general purpose financial report comprising the Income and Expenditure Statement, Balance sheet, Cash Flow Statement, and Committee of Management Statement of the Territory Construction Association Incorporated for the period ended 30 June 2009. The Management Committee is responsible for the preparation and presentation of the financial report and the information contained therein, and has determined that the accounting policies described in note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Associations Act, are consistent with the financial reporting requirements of the entity's constitution and are appropriate to meet the needs of the members. I have also conducted an independent audit of the financial report in order to express an opinion on it to the members of the Territory Construction Association Incorporated. No opinion is expressed as to whether the accounting policies used, and described in note 1, is appropriate to the needs of members.

The financial report has been prepared for distribution to the members for the purpose of fulfilling the Management Committee's financial reporting requirements under the constitution of the Territory Construction Association Incorporated, the Associations Act, and the Fair Work (Registered Organisations) Act 2009.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free from material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other financial disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion as to whether in all material respects, the financial report is presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements in Australia, statutory requirements of Fair Work (Registered Organisations) Act 2009, so as to present a view of the Association which is consistent with our understanding of its financial position and performance of the Territory Construction Association Incorporated as represented by the results of its operations and cash flows.

Liability limited by a scheme under the Professional Standards Legislation.

TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED

INDEPENDENT AUDITOR REPORT

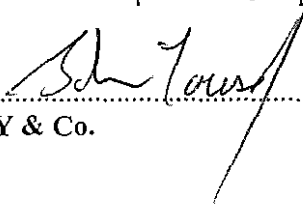
FOR THE YEAR ENDED 30 JUNE 2009

The audit opinion expressed in this report has been formed on the above basis

AUDIT OPINION

It is my opinion that:-

- (i) The financial report of the Territory Construction Association Incorporated is properly drawn up so as to give a true and fair view of the financial position of the Association as at 30 June 2009 and of its results for the year ended on that date.
- (ii) The rules relating to the administration of the funds of the Association have been observed.
- (iii) Complying with Accounting Standards in Australia and other mandatory professional reporting requirements; and
- (iv) The requirements imposed by Fair Work (Registered Organisations) Act 2009


.....
JKY & Co.

06/07/2011
.....
DATED

Liability limited by a scheme under the Professional Legislation.

**TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED**

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2009

Income	2009	2008
Telstra Alliance	3,330.06	2,345.74
Advertising	6,190.95	4,536.36
MPA/NECA Grant	-	1,908.86
Tag & Test Courses	97,930.42	66,100.00
Skills Maintenance Training	-	55,839.10
Induction Training Courses	36,160.78	61,851.25
Other Training	36,421.08	1,120.00
Desert Knowledge Project	-	5,000.00
Darwin Waterfront STEPS	-	45,454.55
CTB Course Development	-	241.88
Essential Electrical Course	52,742.98	-
Businesswomen Connections	1,177.91	-
Wiring Rules course	<u>2,827.50</u>	<u>11,350.00</u>
Total income	<u>1,276,881.40</u>	<u>1,256,235.98</u>
 Expenses		
Office Cleaning/Plant Hire	5,481.80	6,012.24
Electricity	9,116.54	11,509.79
Repairs & Maintenance	702.30	3,350.93
Rubbish Removal	1,538.05	1,942.02
Office Rent	41,054.25	36,294.43
Audit Fees	5,298.50	4,131.00
Bank Charges	10,890.67	9,410.95
Insurance	9,492.27	14,053.26
Interest Expense	2,457.54	3,863.48
Stationery	8,282.59	10,261.61
Computer IT	36,676.61	33,072.07
R & M Office Equipment	-	2,539.53
Telephone/Facsimile	15,025.24	16,061.11
Postage & Freight	4,772.05	5,869.41
Library	-	2.09

**TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED**

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
Photocopier Expense	25,195.37	46,235.02
Depn Furn & Office Equip	828.00	960.00
Depn Office Machines	1,462.00	1,136.00
Sundry Expenses	650.01	853.23
Purchases - Signs/Stickers	817.27	15.52
Interest Insurance Funding	500.06	-
Standards Expense	38,609.66	47,748.58
Contract Expense	2,569.30	2,195.65
Consultants fees	1,345.45	1,760.00
Employer Advisory Program	-	5,879.97
Travel Fares & Accommodation	24,961.95	27,182.36
Vehicle Operation	2,089.02	1,242.12
Motor Vehicle Insurance	550.00	-
Depn Motor Vehicle	17.00	-
Motor Vehicle Lease	4,941.07	4,615.36
Public Relations	-	1,177.81
Meeting Costs	435.14	269.95
Advertising	9,508.40	4,750.72
Training Tec. Support & Hire	190.91	1,180.00
Training Venue Hire	2,195.45	2,231.36
Lecturer Fees	70,296.78	31,720.70
Amenities	4,749.06	3,829.55
Course Stationery	353.73	1,833.66
Resources Note Development	4,050.00	200.00
Trade Nights	1,051.64	-
Donations	1,000.00	-
Internet	1,176.59	-
Legal Fees	809.09	-
Matrix Compliance OHS	1,700.00	-
Project- Waterfront Employment	24,060.00	6,000.00
Focus Certification	-	1,050.00
Fringe benefits tax	5,567.93	5,648.00
Master Builders Assoc	64,199.90	44,359.59
NECA	3,319.85	3,236.91
Other Affiliations	229.09	-

These financial statements are audited. They must be read in conjunction with the attached Audit Report and Notes which form part of these financial statements

**TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED**

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
AGGA Membership	1,943.46	2,091.02
Master Plumbers Assoc.	45.45	200.00
Crane Association	-	68.20
Insurance	7,246.00	7,808.01
HR/IR Workshops	-	86.41
Work Ready Expenses	1,210.46	1,191.07
Awards	123,275.99	95,208.33
Member functions	4,005.31	816.97
Breakfasts	7,756.82	3,609.94
Businesswomen's Connections	469.68	-
Event Management	-	-
Membership Renewal	1,698.27	-
Grahams Expense	2,470.89	-
TCA Golf Day Darwin	4,998.29	2,528.84
MPA Golf Day	8,133.90	5,775.06
Wages	425,374.97	374,830.24
Trainee Labour Charges	-	-
Temporary Hire Staff	-	3,120.00
Superannuation Staff	34,444.43	37,205.72
Unexpended Government Grants	176,026.19	-
Recruitment Fees Staff	-	504.00
Staff Amenities	2,835.64	1,093.28
Staff Training	1,490.90	-
Annual Leave Accrued Staff	10,323.83	(3,109.44)
S&W - Admin Trainees	36,438.64	291,991.97
Superannuation Trainees	5,864.12	21,092.59
Subscriptions	26,562.19	-
Recruitment Fees Trainees	-	125.00
Annual Leave Accrual Trainees	(3,247.86)	(5,472.74)
Total expenses	<u>1,329,585.70</u>	<u>1,249,591.99</u>
Loss from ordinary activities	<u>(52,704.30)</u>	<u>6,643.99</u>
Other Comprehensive Income	-	-
Total Comprehensive Income	<u>(52,704.30)</u>	<u>6,643.99</u>

These financial statements are audited. They must be read in conjunction with the attached Audit Report and Notes which form part of these financial statements

**TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED**

**STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009	2008
Cash assets	3	366,522.57	385,752.68
Receivables	4	99,553.72	64,820.76
Inventories	5	4,670.82	5,135.89
Other	6	<u>50,000.00</u>	<u>54,110.00</u>
Total Current Assets		<u>520,747.11</u>	<u>509,819.33</u>
Non-Current Assets			
Property, plant and equipment	7	<u>32,425.51</u>	<u>9,354.41</u>
Total Non-Current Assets		<u>32,425.51</u>	<u>9,354.41</u>
Total Assets		<u>553,172.62</u>	<u>519,173.74</u>
Current Liabilities			
Payables	8	26,229.83	25,875.88
Financial liabilities	9	4,858.38	130,126.48
Current tax liabilities	10	19,466.42	15,820.87
Provisions	11	21,675.90	21,274.31
Other	12	<u>214,908.19</u>	<u>7,338.00</u>
Total Current Liabilities		<u>287,138.72</u>	<u>200,435.54</u>
Total Liabilities		<u>287,138.72</u>	<u>200,435.54</u>
Net Assets		<u>265,987.67</u>	<u>318,738.20</u>
Members' Funds			
Reserves		561,404.15	561,450.38
Retained profits / (Accumulated losses)		<u>(292,214.66)</u>	<u>(242,712.18)</u>
Total Members' Funds		<u>265,987.67</u>	<u>318,738.20</u>

**TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED**

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2009

	Retained Earnings	Contributed Equity	Total
Balance at 1 July 2007	\$ 312,094.21	\$ -	\$ 312,094.21
Retrospective adjustment upon change in policy	\$ -	\$ -	\$ -
Profit attributable to equity	\$ 6,643.99	\$ -	\$ 6,643.99
Contributed equity	\$ -	\$ -	\$ -
Balance at 30 June 2008	\$ 318,738.20	\$ -	\$ 318,738.20
Retrospective adjustment upon change in policy	\$ - 46.23	\$ -	\$ -46.23
Loss attributable to equity	\$ - 52,704.30	\$ -	\$ -52,704.30
Contributed equity	\$ -	\$ -	\$ -
Balance at 30 June 2009	\$ 265,987.67	\$ -	\$ 265,987.67

**TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED**

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
OPERATING ACTIVITIES		
Operating Loss	-52,704.30	6,643.99
Depreciation	2,307.00	\$0.00
Decrease in Assets	\$0.00	\$0.00
Profit Sale Property & Equip	\$0.00	\$470.54
Trade Debtors	-33,972.96	\$72,151.76
Decrease in Stock on Hand	465.07	-\$150.74
MBA Affiliation Fees Paid In Advance	4,110.00	\$5,480.00
Prepayments	\$0.00	-\$1,261.61
Other	\$0.00	\$0.00
Overdraft	-130,126.48	-30,799.94
American Exp	\$0.00	-\$7,937.04
Creditors	353.95	-30,799.94
Accrued expenses	\$0.00	\$701.58
CBA MasterCard	4,469.48	\$0.00
CBA MasterCard	388.90	\$0.00
Provision for Doubtful Debts	-760.00	\$0.00
TCA Annual Dinner	\$0.00	\$0.00
Test & Tag	\$0.00	\$0.00
Skills Maintenance Courses	\$0.00	\$0.00
Sponsorship Rec in Adv	\$0.00	\$0.00
Induction Course	\$0.00	\$0.00
Steps (DEET) RTO Funding	\$0.00	-\$39,528.00
Superannuation	6,628.15	\$11,936.29
Annual Leave Accrual Staff	10,323.83	-\$3,109.44
Annual Leave Trainees Accrual	-3,247.89	-\$5,472.44
Provn Annual Leave Staff	-10,323.83	\$3,109.44
Provn Annual Leave Train	-2,224.88	\$5,472.74
GST Payable	11,498.60	\$14,610.49
Input tax credit	-5,306.05	-\$10,158.75
PAYG Tax Payable	-2,954.00	\$10,596.38
Fringe Benefits	407.00	\$761.00
Arbitration Funds in Trust	1,780.00	\$898.00
MPA Funds	\$0.00	-\$1,908.86

These financial statements are audited. They must be read in conjunction with the attached Audit Report and Notes which form part of these financial statements

Prepaid Membership	\$0.00	\$0.00
CTB Funds	\$0.00	-\$241.88
Unexpended Grants	176,026.19	\$0.00
MBA Subscription	29,764.00	\$5,456.00
NET Cash from operating Activities	<u>\$6,901.78</u>	<u>\$6,919.27</u>
Cash Used		
Purchase of property, plant and equipment	-26,131.89	-2323.64
	\$ -	\$ -
Total cash used	<u>-26,131.89</u>	<u>\$ -2323.64</u>
NET Cash from investing Activities	<u>\$ -</u>	<u>\$ -</u>
<i>Net increase/decrease in cash held</i>	-19,230.11	\$4,595.63
Cash at the beginning of the reporting period	<u>385,752.68</u>	<u>\$381,157.05</u>
<i>Cash at the end of the reporting period</i>	<u>366,522.57</u>	<u>\$385,752.68</u>

**TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

1. SUMMARY OF ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standard Board and comply with the *Fair Work (Registered Organisation) Act 2009*.

The financial statements have also been prepared on a historical basis and do not take into account changing values or except where specifically stated, current valuations of non-current assets. The concept of accrual accounting has been adopted in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

(a) Going Concern Basis

The financial statements are prepared on a going concern basis

(b) Payables

Trade payables and other accounts payables are recognised when the Northern Territory Branch becomes obliged to make future payments resulting from the purchase of goods and services.

(c) Good and services tax

Revenues, expenses are recognised net of Good and Services Tax (GST) except where GST incurred on purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of cost of acquisition of asset or as part of the expense item.

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.

(d) Income Tax

The association is exempt from Income Tax under section 50-5 of Income Tax Assessment Act 1997.

TERRITORY CONSTRUCTION ASSOCIATION

INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

(e) Receivables

Trade receivables are recognised at original invoice amounts less allowance for uncollectable amounts and have repayment terms between 30 and 90 days. Collectively of trade receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance is made for doubtful debts where there is objective evidence that the entity will not be able to collect all amounts due according to the original terms. Objective evidence of days of impairment includes financial difficulties of the debtor, default payments or debt more than 60 days overdue. On confirmation that the trade receivable will not be collectible the gross carrying value of asset is written off against the associated provision.

(f) Property and Equipment

All property and equipment is stated at historical cost, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less depreciation and any impairment.

Depreciation on other assets is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Office equipment	3-8 years
Furniture and Fittings	3-8 years

(g) Employee Benefits Provisions

Wages and salaries and Annual Leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of balance sheet date are recognised in respect of employees' services rendered up balance sheet date and measured at amounts expected to be paid when the liabilities are settled. Liabilities for wages and salaries are included as part of Other Payables and liabilities for annual leave and included as part of other payables and liabilities for annual leave are included as part of provisions for employee entitlements.

(h) Revenue Recognition

(i) Grants

Grants are recognised at their fair value where there is reasonable assurance that the grant will be received and the entity will comply with all the attached conditions. Grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

(ii) Commission

Commission revenue is recognised in period to which it relates

(iii) Subscriptions

Revenue from subscriptions is recognised in the period which it relates.

(i) **Financial Instruments**

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights and obligations exist. Subsequent to initial recognition these instruments are measured as set out below:

Financial Assets

Loan and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial Liabilities

Non-derivative financial liabilities, including loans and borrowing, are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At the end of each reporting period the entity assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the asset's fair value

Less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

(j) **Critical accounting Estimates and Judgements**

The preparation of financial statements in conformity with accounting standards requires the use certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Association's accounting policies.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at balance sheet date that have a significant risk of causing a material to exercise its adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

TERRITORY CONSTRUCTION ASSOCIATION

INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at balance sheet date that have a significant risk of causing a material to exercise its adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of non-financial assets

The Association assess impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. When an impairment trigger exists, the recoverable amount of the asset is determined.

No impairment has been recognised in respect of property, plant and equipment for the year ended 30 June 2009

(k) Accounting Standards Issued But Not Yet Effective

Certain new accounting standards, amendments and interpretations have been published that are not mandatory for 30 June 2009 reporting periods. The Committee Members' assessment of the impact of these new standards, amendments and interpretation are set out below.

(i) AASB 9 Financial instruments, Amends the requirement for classification and measurement

Effective for annual reporting period beginning on or after 1 January 2013

This amends the requirements for classification and measurement of financial assets. Due to the recent release of these amendments and that adoption is only mandatory for the 30 June 2014 year end, the entity has not yet made an assessment of the impact of these amendments

(ii) Revised AASB 124 Related Party Disclosures

Effective for annual reporting periods commencing on or after 1 January 2011.

This amendment clarifies and simplifies the definition of a related party. When applied, the amendment will require the Association to disclose any transactions between itself and its associates. As the association has not put in place any system to capture such transactions it is not possible to disclose the financial impact, if any, of the amendment on the related party disclosures.

(iii) AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Effective for annual reporting periods commencing on or after 1 January 2010

The following amendments relevant to the association are as follows:

(a) AASB 101 Presentation of Financial Statements

**TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

Clarifies that terms of a liability that could, at the option of the counterparty, result in the liability being settled by the issue of equity instruments, do not affect its classification. This means that unless the terms of such liabilities require a transfer of cash or other assets within 12 months, they do not necessarily have to be classified as current liabilities. Initial adoption of this amendment will have no impact as entity does not have any current liabilities where the counterparty has the option to have the liabilities settled by issue of equity instruments.

(b) AASB 107 Statement of Cashflows

Clarifies that only expenditures that result in a recognised asset in the statement of financial position are eligible for classification as cash flows from investing activities. Initial adoption of this amendment will have no impact as the entity only recognises cash flows from investing activities for expenditures that result in a recognised asset in the statement of financial position.

(c) AASB 117, Leases

This explains that land can be classified as a finance lease for very long leases where the significant risks and reward are effectively transferred, despite there being no transfer of title. Initial adoption of this amendment will have no impact as the entity has no leases for land.

	<u>2009</u>	<u>2008</u>
Note 2: Auditor's Remuneration		
Audit Services	5,298.00	4,131.00
Accounting Services	-	-
	<u>5,298.00</u>	<u>4,840.00</u>

TERRITORY CONSTRUCTION ASSOCIATION

INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

	<u>2009</u>	<u>2008</u>
Note 3: Cash assets		
Bank accounts:		
TCA ANZ Chq A/c - 198343147		10,628.85
TCA CBA A/c - 10634429	89,361.50	
Undeposited Bankings	22,795.96	
CBA James Bell A/c - 10635683	1,350.77	1,992.77
CBA Arbitration A/c - 10635691	1,649.20	1,141.40
CBA MPA Cheque A/c - 10635712	1,112.86	1,304.86
CBA Crane A/c - 10635704	-	24.80
ANZ Investment A/c 986267069	-	20,000.00
CBA Term Deposit A/c - 50167300	249,806.03	350,000.00
Other cash items:		
Petty Cash & TCA Float	346.25	560.00
SAA Cash Float	100.00	100.00
	<u>366,522.57</u>	<u>385,752.68</u>
Note 4: Receivables		
Current		
Trade debtors	100,293.72	66,320.76
Provision for doubtful debts	(740.00)	(1,500.00)
	<u>99,553.72</u>	<u>64,820.76</u>
	<u>99,553.72</u>	<u>64,820.76</u>
Note 5: Inventories		
Current		
Finished goods at cost	<u>4,670.82</u>	<u>5,135.89</u>
	<u>4,670.82</u>	<u>5,135.89</u>
Note 6: Other Assets		
Current		
Prepayments	50,000.00	54,110.00
	<u>50,000.00</u>	<u>54,110.00</u>

**TERRITORY CONSTRUCTION ASSOCIATION
INCORPORATED**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

	<u>2009</u>	<u>2008</u>
Note 7: Property, Plant and Equipment		
Other plant and equipment:		
- At cost	36,831.24	36,115.78
- Less: Accumulated depreciation	<u>(29,051.37)</u>	<u>(26,761.37)</u>
	<u>7,779.87</u>	<u>9,354.41</u>
Motor vehicles:		
- At cost	24,662.64	-
- Less: Accumulated depreciation	<u>(17.00)</u>	<u>-</u>
	<u>24,645.64</u>	<u>-</u>
	<u>32,425.51</u>	<u>9,354.41</u>
Note 8: Payables		
Unsecured:		
- Trade creditors	26,229.83	25,875.88
	<u>26,229.83</u>	<u>25,875.88</u>
	<u>26,229.83</u>	<u>25,875.88</u>
Note 9: Financial Liabilities		
Current		
Unsecured:		
- Bank loans	4,858.38	-
	<u>4,858.38</u>	<u>-</u>
Secured:		
- Bank overdrafts		130,126.48
		<u>130,126.48</u>
	<u>4,858.38</u>	<u>130,126.48</u>
Total Current and Non-Current Secured Liabilities		
Bank overdrafts	-	130,126.48
	<u>-</u>	<u>130,126.48</u>

TERRITORY CONSTRUCTION ASSOCIATION

INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

	<u>2009</u>	<u>2008</u>
Note 10: Tax Liabilities		
Current		
GST payable control account	26,120.84	14,622.24
Input tax credit control account	(15,464.80)	(10,158.75)
Fringe benefit	1,168.00	761.00
PAYG Tax Payable	<u>7,642.38</u>	<u>10,596.38</u>
	<u>19,466.42</u>	<u>15,820.87</u>
Note 11: Provisions		
Current		
Employee entitlements	<u>21,675.90</u>	<u>21,274.31</u>
	<u>21,675.90</u>	<u>21,274.31</u>
Note 12: Other Liabilities		
Current		
Advance payments	3,662.00	1,882.00
Sundry	<u>211,246.19</u>	<u>5,456.00</u>
	<u>214,908.19</u>	<u>7,338.00</u>

TERRITORY CONSTRUCTION ASSOCIATION

INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

13. Compliance with Fair Work (registered Organisation) Act 2009

The information is prescribed by the RAO Regulations is available to members on request. Specifically subsections 272(1), (2) and (3) require the following:

- (1) A member of reporting unit, or a register, 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 less than 14 days after the application is given to the reporting unit.
- (3) A reporting must comply with an application made under subsection(1)

**MASTER BUILDERS
ASSOCIATION NORTHERN
TERRITORY INCORPORATED
ABN 54 527 741 841**

General Purpose Financial Statements
For the year ended 30 June 2010

JKY & CO

Certified Practising Accountant

PO Box 38233

Winnelle NT 0821

**MASTER BUILDER ASSOCIATION NORTHERN TERRITORY
INCORPORATED**

OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2010

The Association, being the Committee of Management for the purposes of the Fair Work (Registered Organisation) Act 2009, presents its operating report of the Master Builders Association Northern Territory Incorporated for the financial year ended 30 June 2010.

Committee of Management

The names of each committee member of the association during the relevant financial year were:

Greg McLaughlin	Danny Jansen
Dick Guit	Andrea Moriarty
Paul Nowland	Phil Storey
John Brears	Charles Wright
Sandy Kirsopp	David Irvine
Matthew Sharp	Ben Bowden
James Taylor	Roger Pearson
Richard Riedel	Kevin Page
Maria Savvas	Harriette Grosse

Principal Activities

The principal activities of the association during the relevant financial year were:

To promote the interests of the building and construction industry in the Northern Territory;

To safeguard the interests of its members against injustice in their regular business and such activities as are ancillary to the building and construction industry;

To protect its members against injustice or oppression in the fair and proper execution of such works as they may undertake from time to time to carry out;

To establish a code of ethics and good business practice amongst members;

**MASTER BUILDER ASSOCIATION NORTHERN TERRITORY
INCORPORATED**

OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2010

To take an active part in assisting or opposing such public movements as may appear likely to affect its members' interests in the carrying on of their business;

To secure to its members all the advantages of unity of action in any lawful manner whatsoever;

To maintain and improve conditions of contracts, forms of agreement, conditions of tendering and the like and to enter into agreements with the Royal Australian Institute of Architects or similar bodies, public authorities the Commonwealth and Northern Territory authorities and lending institutions.

Results of Activities

- (b) The net loss of the association for the relevant financial year was:
\$24,234.75

Significant Changes in Nature of Activities or Financial Affairs

There were significant changes in the Induction Training Courses income, members' subscriptions, and standards Income derived for the Association during the year. The overall income did increase.

Membership of the Association

The number of members of the Association at the end of the financial year was 258.

Employees of the Branch

The number of persons employed by the Association during the financial year at one time was 4.

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED**

OPERATING REPORT

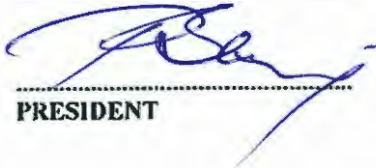
FOR THE YEAR ENDED 30 JUNE 2010

Rights of members to Resign

Members retain their right to resign from the Master Builders Association Northern Territory Incorporated in accordance with section 10 of the Federal Rules and Section 174 of chapter 6 of Fair Work (Registered Organisations) Act 2009. In accordance with Section 174 Schedule 1 of the Workplace Relations Act a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

Superannuation Trustees

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


.....
PRESIDENT

05/07/2011
.....
DATED


.....
VICE PRESIDENT

05/07/2011
.....
DATED

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED**

**COMMITTEE OF MANGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010**

On the 30th of September 2010 the Committee of Management of the Master Builders Association Northern Territory Incorporated passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2010 as follows:

In our opinion –

- a) The financial report and notes comply with the Australian Accounting Standards;
- b) The financial report and notes comply with the reporting guidelines of the Industrial Registrar;
- c) the accompanying financial report as set out on the following pages, being a general purpose financial statement, is drawn up so as to present fairly the state of affairs of the Association as at 30 June 2010 and the results of the Association for the year ended on that date;
- d) the accounts of the Association have been properly prepared and are in accordance with the books of account of the Association; and
- e) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.
- f) During the financial year ended 30 June 2010 and since the end of the financial year:
 - (i) Meetings of the Committee of Management of the Association were held in accordance with the rules of the organisation.
 - (ii) The financial affairs of the Association have been managed in accordance with the rules of the organisation.
 - (iii) The financial records have been kept and maintained in accordance with Part 8(Records and accounts) the Fair Work(Registered Organisation) Act 2009 and;
 - (iv) The organisation only consists of one reporting unit therefore the issue of consistency of financial reporting between the branches of an organisation does not arise.

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED**

COMMITTEE OF MANAGEMENT STATEMENT

FOR THE YEAR ENDED 30 JUNE 2010

- (v) No information has been sought in any request of a member of the Association or a registrar duly made Fair Work(Registered Organisation) Act 2009; and
- (vi) No orders for inspection of financial reports have been made by the Fair Work Australia under section 273 of Fair Work (Registered Organisation) Act 2009.



.....
PRESIDENT

05/07/11
.....
DATED

JKY & CO.

CERTIFIED PRACTISING ACCOUNTANT

PO Box 38233
48 Albatross Street
WINNELLIE NT 0821
Ph: 89477030
Fax: 89477032

JOHN YOUSEF CPA
Commissioner for Oaths

TERRITORY CONSTRUCTION ASSOCIATION INCORPORATED

INDEPENDENT AUDITOR REPORT

FOR THE YEAR ENDED 30 JUNE 2010

We have audited the accompanying financial report of Territory Construction Association Incorporated, which comprises the balance sheet as at 30 June 2010 and the income statement, statement of changes in equity and cash flows statement for the year ended on that date a summary of significant accounting policies, other explanatory notes and the Committees of Management's Statement.

Territory Construction Association Incorporated's Responsibility for the Financial Report

The Management Committee of the Territory Construction Association Incorporated are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standard (including the Australian Accounting Interpretations) and with *Fair Work (Registered Organisation) Act 2009*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standard. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the report of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of financial report in order to design the procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of entity's internal controls in the circumstances, but not also includes evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by the Management Committee, as well as evaluating the overall presentation of the financial report.

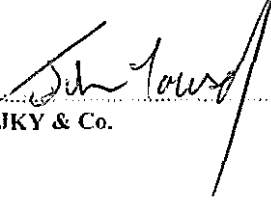
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit we have met the independence requirements of the Australian professional accounting bodies. In addition to our audit of the financial report, we were engaged to undertake the services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

Auditor's Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of the Territory Construction Association Incorporated as 30 June 2010, and of its financial performance and cash flows for the year then ended in accordance with the *Fair Work (Registered Organisations) Act 2009*, an Australian Accounting Standards (including the Australian Accounting Interpretations).


.....
JKY & Co.

06/07/2011
.....
DATED

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED ABN 54 527 741 841**

Statement of Comprehensive Income

For the year ended 30 June 2010

	2010	2009
	\$	\$
Income		
Members Subscriptions	280,804.38	295,416.10
Standards Income	48,041.48	60,585.82
MBA Insurance Services	23,959.75	424.00
AWA's Initial		1,480.00
Safety Management Systems		681.82
IR Apprentice Help Line	8,545.93	6,206.24
IR/HR Training	19,227.27	7,585.88
TCA Arbitration Service	954.55	681.82
Misc Functions	1,770.00	2,511.83
Sponsorship Received	1,954.56	3,581.81
Excellence Awards	260,085.07	239,808.16
Consultancy	6,994.08	4,875.96
TCA Golf Day	7,590.93	8,216.20
MPA Golf Day	10,922.76	13,113.61
Trade Days/Nights	5,417.65	2,081.77
Breakfasts	6,149.98	12,852.05
Contract Sales	17,841.36	7,847.22
Forms/Stationery Sales	595.45	435.84
Signs		3,144.54
Collective Agreement	2,454.55	19,027.28
Staff Support OH	39,249.41	
Buildskills Funding	30,000.00	
Certificate IV In Building	32,108.00	
Cert III Carpentry	2,200.00	
Matrix OHS Management	7,933.64	
Insurance recoveries	1,099.00	
Bank Interest		1,637.51
Investment Interest	11,027.23	22,319.55
Recovered Travel Costs-MBA	3,475.53	
Government Grants	185,000.00	210,000.00
Room Hire	518.18	1,030.45
Sundry Income	1,003.60	3,000.57
Micellaneous Income	304.53	140.00
Chargeout Income		106,311.71

These financial statements are audited. They must be read in conjunction with the attached Audit Report and Notes which form part of these financial statements.

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED ABN 54 527 741 841**

Statement of Comprehensive Income

For the year ended 30 June 2010

	2010	2009
	S	S
Trainees Incentives		4,727.27
Marketing Services	1,063.64	300.00
Alliances Commission	38.28	74.71
Telstra Alliance	5,339.83	3,330.06
Advertising	1,403.64	6,190.95
Tag & Test Courses	55,847.35	97,930.42
Induction Training Courses	116,051.82	36,160.78
Other Training	10,278.19	36,421.08
Businesswomen Connections	2,504.54	1,177.91
Wiring Rules course		2,827.50
Essential Electrical Course		52,742.98
Total income	1,209,756.16	1,276,881.40
Expenses		
Office Cleaning/Plant Hire	5,377.00	5,481.80
Electricity	11,987.78	9,116.54
Repairs & Maintenance	3,480.00	702.30
Rubbish Removal	2,042.98	1,538.05
Office Rent	35,762.18	41,054.25
Audit Fees	6,345.55	5,298.50
Bank Charges	4,775.95	10,890.67
Insurance	11,174.94	9,492.27
Interest Expense	2,202.61	2,457.54
Interest Insurance Funding		500.06
Bookkeeping	4,700.00	
Stationery	12,950.29	8,282.59
Computer IT	30,533.16	36,676.61
Telephone/Facsimile	16,983.05	15,025.24
Postage & Freight	5,974.57	4,772.05
Photocopier Expense	36,072.78	25,195.37
Depn Furn & Office Equip	933.00	828.00
Depn Office Machines	5,165.00	1,462.00
Sundry Expenses	1,334.96	650.01
Purchases - Signs/Stickers	3,672.10	817.27
Standards Expense	35,448.35	38,609.66

These financial statements are audited. They must be read in conjunction with the attached Audit Report and Notes which form part of these financial statements.

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED ABN 54 527 741 841**

Statement of Comprehensive Income

For the year ended 30 June 2010

	2010	2009
	\$	\$
Contract Expense	4,769.61	2,569.30
Consultants fees	400.00	1,345.45
Travel Fares & Accomodation	16,990.49	24,961.95
Vehicle Operation	3,655.23	2,089.02
Motor Vehicle Insurance		550.00
Depn Motor Vehicle	6,162.00	17.00
Motor Vehicle Lease	6,656.03	4,941.07
Meeting Costs	3,351.33	435.14
Advertising	4,066.58	9,508.40
Trade Nights	272.28	1,051.64
Donations		1,000.00
Fines	249.03	
Training Tec. Support & Hire	3,900.00	190.91
Training Venue Hire	774.54	2,195.45
Lecturer Fees	26,499.80	70,296.78
Amenities	2,239.02	4,749.06
Course Stationery	20,326.58	353.73
Resources Note Development		4,050.00
Project- Waterfront Employment		24,060.00
Fringe benefits tax	7,237.56	5,567.93
Certificate IV in Building	13,255.48	
Master Builders Assoc	72,869.44	64,199.90
NECA		3,319.85
Other Affiliations	105.00	229.09
AGGA Membership		1,943.46
Master Plumbers Assoc.	911.07	45.45
Insurance		7,246.00
Internet	1,158.20	1,176.59
Legal fees	1,963.00	809.09
HR/IR Workshops	2,730.36	
Work Ready Expenses	622.76	1,210.46
Awards	148,314.45	123,275.99
Member functions	5,737.01	4,005.31
Breakfasts	2,610.31	7,756.82
Businesswomens Connection	2,359.82	469.68
Membership Renewal		1,698.27

These financial statements are audited. They must be read in conjunction with the attached Audit Report and Notes which form part of these financial statements.

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED ABN 54 527 741 841**

Statement of Comprehensive Income

For the year ended 30 June 2010

	2010	2009
	\$	\$
Grahams Expense	1,975.94	2,470.89
Matrix Compliance OHS		1,700.00
TCA Golf Day Darwin	6,139.92	4,998.29
MPA Golf Day	7,351.14	8,133.90
Printing & stationery	1,318.84	
Subscriptions	241.18	26,562.19
Field OHS Co-ordinator	131,803.66	
Wages	406,504.72	425,374.97
Superannuation Staff	36,585.44	34,444.43
Staff Amenities	1,867.45	2,835.64
Staff Training	999.39	1,490.90
Annual Leave Accrued Staff	12,695.08	10,323.83
S&W - Admin Trainees		36,438.64
Superannuation Trainees		5,864.12
Unexpended Government Grants 2009	(176,026.19)	176,026.19
Annual Leave Accrual Trainees		(3,247.86)
Unexpended Government Grants 2010	205,431.11	
Total expenses	1,233,990.91	1,329,585.70
Profit (loss) from ordinary activities before income tax	(24,234.75)	(52,704.30)
Net profit (loss) attributable to the association	(24,234.75)	(52,704.30)
Total Comprehensive Income	(24,234.75)	(52,704.30)

These financial statements are audited. They must be read in conjunction with the attached Audit Report and Notes which form part of these financial statements.

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED ABN 54 527 741 841**

Statement of Financial Position As At 30 June 2010

	Note	2010 \$	2009 \$
Current Assets			
Cash assets	3	260,709.15	366,522.57
Receivables	4	282,974.82	99,553.72
Inventories	5	9,303.86	4,670.82
Current tax assets	6	9,952.95	(10,656.04)
Other	7	120,000.00	50,000.00
Total Current Assets		<u>682,940.78</u>	<u>510,091.07</u>
Non-Current Assets			
Property, plant and equipment	8	31,730.41	32,425.51
Total Non-Current Assets		<u>31,730.41</u>	<u>32,425.51</u>
Total Assets		<u>714,671.19</u>	<u>542,516.58</u>
Current Liabilities			
Payables	9	43,553.21	26,229.83
Financial liabilities	10	110,701.91	4,858.38
Current tax liabilities	11	7,983.38	8,810.38
Provisions	12	31,586.66	21,722.13
Other	13	209,093.11	214,908.19
Total Current Liabilities		<u>402,918.27</u>	<u>276,528.91</u>
Total Liabilities		<u>402,918.27</u>	<u>276,528.91</u>
Net Assets		<u>311,752.92</u>	<u>265,987.67</u>
Equity			
Reserves		631,404.15	561,404.15
Retained profits / (Accumulated losses)		(319,651.23)	(295,416.48)
Total Members' Funds		<u>311,752.92</u>	<u>265,987.67</u>

These financial statements are audited. They must be read in conjunction with the attached Audit Report and Notes which form part of these financial statements.

MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY INCORPORATED

STATEMENT OF CHANGES IN EQUITY
For the Year ended 30 June 2010

	Retained Earnings	Contributed Equity	Total
Balance at 1 July 2008	\$ 318,691.97	\$ -	\$ 318,691.97
Retrospective adjustment upon change in policy	\$ -	\$ -	\$ -
Profit attributable to equity	-\$ 52,704.30	\$ -	-\$ 52,704.30
Contributed equity	\$ -	\$ -	\$ -
<i>Balance at 30 June 2009</i>	<u>\$ 265,987.67</u>	<u>\$ -</u>	<u>\$ 265,987.67</u>
Retrospective adjustment upon change in policy	\$ 70,000.00	\$ -	\$ 70,000.00
Profit attributable to equity	-\$ 24,234.75	\$ -	-\$ 24,234.75
Contributed equity	\$ -	\$ -	\$ -
<i>Balance at 30 June 2010</i>	<u>\$ 311,752.92</u>	<u>\$ -</u>	<u>\$ 311,752.92</u>

These financial statements are audited. They must be read in conjunction with the attached Audit Report and Notes which form part of these financial statements.

MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY INCORPORATED
Statement of Cash Flows
For the Year ended 30 June 2010

	2010	2009
OPERATING ACTIVITIES		
Operating Loss	-\$24,234.75	-\$52,704.30
Depreciation Expense	\$12,260.00	\$2,307.00
Decrease in Assets	\$0.00	\$0.00
Profit Sale Property & Equip	\$0.00	\$0.00
Trade Debtors	-\$183,421.10	-\$33,972.96
Decrease in Stock on Hand		\$465.07
MBA Affiliation Fees Paid in Advance	\$0.00	\$4,110.00
Accrued Revenue		
Provision for Doubtful Debts		-\$760.00
Decrease Stock on Hand	-\$4,633.04	
Overdraft	-\$110,701.91	-\$130,126.48
CBA Mastercard	-\$4,469.48	\$4,469.48
CBA Mastercard	-\$388.90	\$388.90
Creditors	\$8,211.84	\$353.95
Other Creditors	\$9,111.54	
Superannuation	-\$2,830.55	\$6,628.15
Annual Leave Accrual Staff		\$10,323.83
Annual Leave Trainees Accrual		-\$3,247.89
Provn Annual Leave Staff	\$12,695.08	-\$10,323.83
Provn Annual Leave Trainees	\$0.00	-\$2,224.88
Provn for Long Service Leave		
GST Payable	-\$6,824.91	\$11,498.60
Input tax credit	-\$13,784.08	-\$5,306.05
PAYG Tax Payable	-\$828.00	-\$2,954.00
Fringe Benefits	\$1.00	\$407.00
Arbitration Funds in Trust	\$0.00	\$1,780.00
MPA Funds	\$0.00	\$0.00
CBA Loan	\$110,701.91	
CTB Funds		
MBA Subscription	-\$35,220.00	\$29,764.00
Unexpended grant 2009	-\$176,026.19	\$176,026.19
Unexpended grant 2010	\$205,431.11	
NET Cash from operating Activities	<u><u>-\$204,950.43</u></u>	<u><u>\$6,901.78</u></u>
Cash Used		
Purchase of property, plant and equipment	-\$11,564.90	-\$26,131.89
Total cash used	<u><u>-\$11,564.90</u></u>	<u><u>-\$26,131.89</u></u>
NET Cash from investing Activities	<u><u>-\$11,564.90</u></u>	<u><u>-\$26,131.89</u></u>
Net increase/decrease in cash held	-\$216,515.33	-\$19,230.11
Cash at the beginning of the reporting period	<u>\$366,522.57</u>	<u>\$385,752.68</u>
Cash at the end of the reporting period	<u><u>\$150,007.24</u></u>	<u><u>\$366,522.57</u></u>

These financial statements are audited. They must be read in conjunction with the attached Audit Report and Notes which form part of these financial statements.

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

1. SUMMARY OF ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standard Board and comply with the *Fair Work (Registered Organisation) Act 2009*.

The financial statements have also been prepared on a historical basis and do not take into account changing values or except where specifically stated, current valuations of non-current assets. The concept of accrual accounting has been adopted in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

(a) Going Concern Basis

The financial statements are prepared on a going concern basis

(b) Payables

Trade payables and other accounts payables are recognised when the Northern Territory Branch becomes obliged to make future payments resulting from the purchase of goods and services.

(c) Good and services tax

Revenues, expenses are recognised net of Good and Services Tax (GST) except where GST incurred on purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of cost of acquisition of asset or as part of the expense item.

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.

(d) Income Tax

The association is exempt from Income Tax under section 50-5 of Income Tax Assessment Act 1997.

(e) Receivables

Trade receivables are recognised at original invoice amounts less allowance for uncollectable amounts and have repayment terms between 30 and 90 days. Collectively of trade receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance is made for doubtful debts where there is objective evidence that the entity will not be able to collect all amounts due according to the original terms. Objective evidence of days of impairment includes financial difficulties of the debtor, default payments or debt more than 60 days overdue. On

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

confirmation that the trade receivable will not be collectible the gross carrying value of asset is written off against the associated provision.

(f) Property and Equipment

All property and equipment is stated at historical cost, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less depreciation and any impairment.

Depreciation on other assets is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Office equipment	3-8 years
Furniture and Fittings	3-8 years

(g) Employee Benefits Provisions

Wages and salaries and Annual Leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of balance sheet date are recognised in respect of employees' services rendered up balance sheet date and measured at amounts expected to be paid when the liabilities are settled. Liabilities for wages and salaries are included as part of Other Payables and liabilities for annual leave and included as part of other payables and liabilities for annual leave are included as part of provisions for employee entitlements.

(h) Revenue Recognition

(i) Grants

Grants are recognised at their fair value where there is reasonable assurance that the grant will be received and the entity will comply with all the attached conditions. Grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

(ii) Commission

Commission revenue is recognised in period to which it relates

(iii) Subscriptions

Revenue from subscriptions is recognised in the period which it relates.

(i) Financial Instruments

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights and obligations exist. Subsequent to initial recognition these instruments are measured as set out below:

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

Financial Assets

Loan and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial Liabilities

Non-derivative financial liabilities, including loans and borrowing, are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At the end of each reporting period the entity assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the asset's fair value

Less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

(j) Critical accounting Estimates and Judgements

The preparation of financial statements in conformity with accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Association's accounting policies.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at balance sheet date that have a significant risk of causing a material to exercise its adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of non-financial assets

The Association assess impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. When an impairment trigger exists, the recoverable amount of the asset is determined.

No impairment has been recognised in respect of property, plant and equipment for the year ended 30 June 2010

(k) Accounting Standards Issued But Not Yet Effective

Certain new accounting standards, amendments and interpretations have been published that are not mandatory for 30 June 2010 reporting periods. The Committee Members' assessment of the impact of these new standards, amendments and interpretation are set out below.

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

(i) AASB 9 Financial instruments, Amends the requirement for classification and measurement

Effective for annual reporting period beginning on or after 1 January 2013

This amends the requirements for classification and measurement of financial assets. Due to the recent release of these amendments and that adoption is only mandatory for the 30 June 2014 year end, the entity has not yet made an assessment of the impact of these amendments

(ii) Revised AASB 124 Related Party Disclosures

Effective for annual reporting periods commencing on or after 1 January 2011.

This amendment clarifies and simplifies the definition of a related party. When applied, the amendment will require the Association to disclose any transactions between itself and its associates. As the association has not put in place any system to capture such transactions it is not possible to disclose the financial impact, if any, of the amendment on the related party disclosures.

(iii) AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Effective for annual reporting periods commencing on or after 1 January 2010

The following amendments relevant to the association are as follows:

(a) AASB 101 Presentation of Financial Statements

Clarifies that terms of a liability that could, at the option of the counterparty, result in the liability being settled by the issue of equity instruments, do not affect its classification. This means that unless the terms of such liabilities require a transfer of cash or other assets within 12 months, they do not necessarily have to be classified as current liabilities. Initial adoption of this amendment will have no impact as entity does not have any current liabilities where the counterparty has the option to have the liabilities settled by issue of equity instruments.

(b) AASB 107 Statement of Cashflows

Clarifies that only expenditures that results in a recognised asset in the statement of financial position are eligible for classification as cash flows from investing activities. Initial adoption of this amendment will have no impact as the entity only recognises cash flows from investing activities for expenditures that result in a recognised asset in the statement of financial position.

(c) AASB 117, Leases

This explains that land can be classified as a finance lease for very long leases where the significant risks and reward are effectively transferred, despite there being no transfer of title. Initial adoption of this amendment will have no impact as the entity has no leases for land.

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

	<u>2010</u>	<u>2009</u>
Note 2: Auditor's Remuneration		
Audit Services	6,345.55	5,298.50
Accounting Services	-	-
	<u>6,345.55</u>	<u>5,298.50</u>

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED ABN 54 527 741 841**

Notes to the Financial Statements

For the year ended 30 June 2010

2010

2009

Note 3: Cash assets

Bank accounts:

TCA CBA A/c - 10634429		89,361.50
Undeposited Bankings		22,795.96
CBA James Bell A/c - 10635683	1,308.77	1,350.77
CBA Arbitration A/c - 10635691	101.20	1,649.20
CBA MPA Cheque A/c - 10635712	1,070.86	1,112.86
CBA Term Deposit A/c - 50167300	257,728.32	249,806.03
Other cash items:		
Petty Cash & TCA Float	500.00	346.25
SAA Cash Float		100.00
	<u>260,709.15</u>	<u>366,522.57</u>

Note 4: Receivables

Current

Trade debtors	283,714.82	100,293.72
Provision for doubtful debts	<u>(740.00)</u>	<u>(740.00)</u>
	<u>282,974.82</u>	<u>99,553.72</u>
	<u>282,974.82</u>	<u>99,553.72</u>

Note 5: Inventories

Current

Finished goods at cost	<u>9,303.86</u>	<u>4,670.82</u>
	<u>9,303.86</u>	<u>4,670.82</u>

The accompanying notes form part of these financial statements.

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED ABN 54 527 741 841**

Notes to the Financial Statements

For the year ended 30 June 2010

	2010	2009
Note 6: Tax Assets		
Current		
GST payable control account	(19,295.93)	(26,120.84)
Input tax credit control account	<u>29,248.88</u>	<u>15,464.80</u>
	<u><u>9,952.95</u></u>	<u><u>(10,656.04)</u></u>
Note 7: Other Assets		
Current		
Prepayments	<u>120,000.00</u>	<u>50,000.00</u>
	<u><u>120,000.00</u></u>	<u><u>50,000.00</u></u>
Note 8: Property, Plant and Equipment		
Other plant and equipment:		
- At cost	48,396.14	36,831.24
- Less: Accumulated depreciation	<u>(35,149.37)</u>	<u>(29,051.37)</u>
	<u>13,246.77</u>	<u>7,779.87</u>
Motor vehicles:		
- At cost	24,662.64	24,662.64
- Less: Accumulated depreciation	<u>(6,179.00)</u>	<u>(17.00)</u>
	<u>18,483.64</u>	<u>24,645.64</u>
	<u><u>31,730.41</u></u>	<u><u>32,425.51</u></u>

The accompanying notes form part of these financial statements.

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED ABN 54 527 741 841**

Notes to the Financial Statements

For the year ended 30 June 2010

2010

2009

Note 9: Payables

Unsecured:

- Trade creditors	34,441.67	26,229.83
	34,441.67	26,229.83

Secured:

- Other creditors	9,111.54	
	9,111.54	
	43,553.21	26,229.83

Note 10: Financial Liabilities

Current

Unsecured:

- Bank loans		4,858.38
		4,858.38

Secured:

- Bank overdrafts	110,701.91	
	110,701.91	
	110,701.91	4,858.38

Total Current and Non-Current Secured Liabilities

Bank overdrafts	110,701.91	
	110,701.91	

The accompanying notes form part of these financial statements.

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED ABN 54 527 741 841**

Notes to the Financial Statements

For the year ended 30 June 2010

2010

2009

Note 11: Tax Liabilities

Current

Fringe benefit	1,169.00	1,168.00
PAYG Tax Payable	<u>6,814.38</u>	<u>7,642.38</u>
	<u><u>7,983.38</u></u>	<u><u>8,810.38</u></u>

Note 12: Provisions

Current

Employee entitlements	<u>31,586.66</u>	<u>21,722.13</u>
	<u><u>31,586.66</u></u>	<u><u>21,722.13</u></u>

Note 13: Other Liabilities

Current

Advance payments	3,662.00	3,662.00
Sundry	<u>205,431.11</u>	<u>211,246.19</u>
	<u><u>209,093.11</u></u>	<u><u>214,908.19</u></u>

The accompanying notes form part of these financial statements.

**MASTER BUILDERS ASSOCIATION NORTHERN TERRITORY
INCORPORATED**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

13. Compliance with Fair Work (registered Organisation) Act 2009

The information prescribed by the RAO Regulations is available to members on request. Specifically subsections 272(1), (2) and (3) require the following:

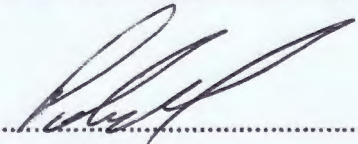
- (1) A member of reporting unit, or a register, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application
- (2) The application must be in writing and must specify the period within which, and the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

Sample Designated Officer's Certificate

Section 268 Fair Work (Registered Organisations) Act 2009*

I PAUL NOWLAND [name] being the VICE PRESIDENT [title of elected office] of the MASTER BUILDERS ASSOCIATION OF THE NORTHERN TERRITORY INCORPORATED [name of organisation] certify:

- i. that the financial documents for year ended 2008/2009 & 2009/2010 [insert financial year] lodged with Fair Work Australia on 15/09/2011 [insert date] are copies of the full financial report referred to in section 268 of the Fair Work (Registered Organisations) Act 2009; and
- ii. that the full financial report was provided to members on 11/07/2011 [insert date]; and
- iii. that the full financial report was presented to a MANAGEMENT COMMITTEE meeting [insert the type of meeting - e.g. Committee of Management Meeting or General Meeting of Members etc] of the reporting unit on 5/07/2011 [insert date] in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signed by elected officer: * 

Name and title of elected officer: PAUL NOWLAND - VICE PRESIDENT

Date: 4/10/2011

* Section 268 of the Fair Work (Registered Organisations) Act 2009 provides as follows:

268 Reports etc. to be lodged with FWA

A reporting unit must, within 14 days (or such longer period as the General Manager allows) after the general meeting referred to in section 266, lodge with FWA:

- (a) a copy of the full report; and
- (b) if a concise report was provided to members—a copy of the concise report; and
- (c) a certificate by a prescribed designated officer that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with section 266.

Note: This section is a civil penalty provision (see section 305).



FAIR WORK
AUSTRALIA

2 December 2011

Mr Philip Storey
President
Master Builders Association of the Northern Territory
trading as Master Builders Northern Territory
Lot 1450 Winnellie Road
Winnellie NT 0821
By email: phil.storey@humes.com.au; gmo@mbant.com.au
By facsimile: (08) 8922 9600

Dear Mr Storey,

**Re: Financial Reports for year ending 30 June 2009 & 2010 - FR2009/305, FR2010/2599
s.268 Fair Work (Registered Organisations) Act 2009 (RO Act)**

We refer to the financial reports for years ending 30 June 2009 and 2010 for the Master Builders Association of the Northern Territory trading as Master Builders Northern Territory (MBANT).

The MBANT initially lodged a range of documents regarding these financial years that required further attention and revision.

The final version of the financial reports for each year were lodged on 15 September 2011. These financial reports were lodged without the mandatory Designated Officers Certificate which legally confirms that the financial reports have been provided to members and presented to a meeting [s.268 of the RO Act].

A Designated Officer's Certificate (covering both years) was lodged on 1 December 2011.

The financial reports for both years have now been filed.

The endeavours of Mr Jeff Colver in finalising these matters is greatly appreciated.

Financial reports must be lodged by 15 January each year

Future financial reports must be prepared, provided to members, presented to a meeting and lodged with FWA by 15 January each year, being six and a half months after the end of organisation's financial year [ss.265, 266, 268 RO Act].

Civil penalties

The Federal Court can order civil penalties against organisations that fail to comply with ss.265, 266 and 268 of the RO Act.

If you have any queries regarding the above please contact me at andrew.schultz@fwa.gov.au

Yours faithfully,

Andrew Schultz

Organisations, Research and Advice

11 Exhibition Street Telephone: (03) 8661 7777
Melbourne VIC 3000 International: (613) 8661 7777
GPO Box 1994 Facsimile: (03) 9655 0401
Melbourne VIC 3001 Email: melbourne@fwa.gov.au