MASTER BUILDERS TASMANIA



Building Tasmania Since 1891

ANNUAL REPORT

2017

Presented at the Annual General Meeting of Master Builders' Association of Tasmania Inc Friday 20th October, 2017

CHOOSE MASTER BUILDERS A NAME YOU CAN TRUST



OUR VISION

Master Builders Tasmania is committed to achieving best practice for the Building and Construction Industry.

Master Builders Tasmania is not a branch of any other Master Builders Association. With over 560 member companies, we service the whole spectrum of building activity from multi-million dollar commercial and industrial projects to housing and home repairs.

Membership is open to ALL qualified operators in the building and construction industry, regardless of their size or industry sector

Lyndon Fenton President Master Builders Tasmania Michael Kerschbaum Executive Director Master Builders Tasmania

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Master Builders' Association of Tasmania Inc. ABN - 70 540 112 530

PRESIDENT'S REPORT

It is with great pleasure and a privilege to submit my first Annual Report as President of Master Builders Tasmania.

I would like to thank all State Councillors for their support to date and I acknowledge the valuable contribution of State Councillor's who recognise and acknowledge the need for change and evolution. This is to ensure that MBT focusses on how to service its members and improve our work in the industry, for the industry, in the short term and building on our solid foundation into the future.

It is pleasing to report that momentum in the building and construction sector continues to build and with 22,8000 people now employed in our industry and this number expected to increase even more, this is a great time to be involved in this upward trending industry.

The Tasmanian Liberal Government's fourth budget delivered an operating surplus and some incentives for building and construction and business:

Building and Construction

- First Home Building Grant of \$20,000 extended for a further year
- Stamp duty will only be paid on the value of land for eligible house and land packages
- \$300,000 to assist councils finalise their local planning rule so they can become part of the Statewide Planning Scheme
- A one stop online shop for building and planning approvals called iPlan, worth \$1.9 million
- An increase in the supply of Government land to be used for housing development
- Continuation of the \$73.5 million Affordable Housing Action Plan.

For Business

- \$17 million in payroll tax relief for businesses employing apprentices, trainees and young people;
- Grants of up to \$4,000 for small businesses to employ a trainee or apprentice

MBT has been working on its policy documents for the upcoming state election and although not confirmed the election is likely to be held in March 2018.

MBT's State Council has hosted relevant stakeholders and decision makers at its meetings in 2016/2017 maintaining good relations with politicians, Local Government and the University of Tasmania, especially engaging with those whose roles and portfolios impact on our industry.

Master Builders Tasmania's Executive Director, Mr Michael Kerschbaum, is continuing his role with the Planning Reform Taskforce and providing further advice and comments as local councils prepare their Local Provisions Schedules. With the same commitment MBT engaged with the Director of Building Control to ensure a smooth transition of the new Building Act 2016. There is work to be done in this area with the opinion that the Act is good but some of the interpretation and education surrounding the roll out still requiring work.

In May 2017 MBT held a special meeting of State Council to commence the development of the next Strategic Plan (2018-2022) which will take over from the current one (2014-2018). The next Strategic Plan will focus on a whole range of issues, including MBT in terms of its presence in the community and its advancement in terms of its structure.

MBT sees housing affordability as a challenge and overhauling costs and reducing red tape is the primary solution to effectively tackling the problem. A state-wide grassroots survey of builders conducted by Master Builders Tasmania in its 'Housing Affordability Roadshow' found that 'regulatory creep' and hidden taxes in land released for housing development are the main barrier to building more new homes.

MBT continued to engage with school students in 2016 and again delivered its Pathways into Building and Construction Industry program across the state. This vital program has been a success for over 10 years now and continues to give school students an entry point to our industry.

The lack of women in the Construction Industry is a statistic that Master Builders Tasmania is aiming to turn around. 'Advancing Women in Building and Construction' is an Australian Government funded program that aims to support and encourage women in our Industry. MBT has held a number of workshops around the state to promote the program and ensure that the industry attracts the best workers, regardless of their gender and that women should not miss out on the fantastic career prospects in one of Australia's largest industries. MBT has taken a leading role in Tasmania to see this initiative take effect, with promising results already taking place, but plenty more work to be done to break down long standing outdated views.

MBT sees that women are taking a much more prominent role in the businesses of its members, members are employing women both on site and off site and female apprentices in any trade are no longer considered "unusual". MBT embraces all of the positives of having women involved in what was once considered to be a male dominated industry.

MBT appointed Mrs Vonette Mead to State Council in 2016. Vonette is the first female State Council Member in the history of MBT.

MBT has continued to increase its membership which has grown to 574 members. With the development of new initiatives such as those above, I can see that we will continue to grow even further and become an even stronger industry association in the future. It has been an exciting year for current members of the Association, existing members and those who have joined in the past twelve months.

MBT thanks its current members for their loyalty and support while welcoming all new members to the Association.

MBT Members delivered some outstanding projects to the 2016 Master Builders Australia National Excellence in Building and Construction Awards and again performed well on the National stage, bringing home five (5) National Awards. Congratulations to the following winners on an excellent achievement:

- 1. National Apprentice of the Year Damon Addison (Employer Mead Con)
- 2. Davies Construction (Tas) Pty Ltd Chardonnay Drive
- 3. Oliver Kelly Construction Martin Residence
- 4. Vos Construction & Joinery Pty Ltd Three Capes Track Huts
- 5. Fairbrother Joinery Fairbrother Construction Spirit of Tasmania

Master Builders Tasmania Magazine has been resurrected. The first edition, after almost four years, was distributed in December 2016 and the second edition was distributed in June 2017, with great success.

MBT welcomed two new staff members in the South in 2016-2017 – Mrs Angela Gunn (Southern Administrator – Events/Membership/Sponsorship) and Ms Amy Ransley (Southern Receptionist); in the North Mr David Garden was appointed as GTO/Membership Officer, commencing with MBT in January 2017. Unfortunately, Ms Kate Hurford (Receptionist) had to leave her role in the South due to ill health.

It is with regret that we advise that one of our long standing employees, Mr Ottmar Helm (Manager – Training Services) has resigned after 12 years with the Association. Mr Helm will take on a new role as a Consultant and continue to work with MBT in that capacity. The Training portfolio performed extremely well with Mr Helm as Manager and MBT thanks him for his dedication and contribution to the Association.

It is also with much regret that MBT acknowledges the sad of the passing of MBT Honorary Member, Mr Victor O'Brien and Life Member, Mr William (Bill) Shields O.A.M. Bill was also a founding and Life Member of the MBT Golf Club.

My term as MBT State President continues for another 12 month period and following that, I will then take up the role as MBT representative at National Board Meetings.

This year the Annual General Report has taken on a new look with a focus on delivering a report on all facets of Master Builders Tasmania.

Individual committee reports are attached for your perusal. Thank you to the Chairs and members of these Committees for their valuable input.

I would like to sincerely thank Michael Kerschbaum and his staff for their dedication, loyalty and hard work in providing an invaluable service to MBT members and the industry.

Lyndon Fenton President



EXECUTIVE DIRECTOR'S REPORT

Master Builders exists because of its members. We're here to help our members grow professional and profitable businesses. And as we enter into ever uncertain times, our role has become even more important.

While this last year wasn't a particularly good one financially, the Association diversified its operations, expanding the GTO and developing MBA Finance as well as investing heavily in our head office building at 116 Bathurst Street. MBT has invested a lot of money in the Bathurst Street property, however after 5 years, we have a fully let building that is ready to more than pay its way into the future and generate a solid income stream for the Association. The Association's finances appear to be back on track and I expect a reasonable surplus in 2017/18 and beyond based upon the hard work of the past few years.

During the year we have also been busy with the restructuring of the Training Area and the elevation of Wendy Bridges to the role of Training Manager. The Association employed a dedicated GTO/Northern Region Membership Officer, David Garden, and also recruited an Events/Membership/Sponsorship Officer, Angela Gunn. All of these changes have resulted in a different look and feel to the staff, but have not detracted from the core services that the Association provides.

The Association continues to build relationships at a political level. It is only through its strong political ties and respected position that the Association has managed to convince the Government to re-introduce payroll tax incentives for apprentices and the \$4,000 incentive payment for smaller businesses. The Association has also heavily influenced the Building and Planning related laws that were introduced over the 2016/17 period. Additionally, the Association played a major role in the development of the upcoming Major Projects legislation and was instrumental in ensuring that Dial Before You Dig was expanded to incorporate the Aboriginal Relics Amendment Act 2017.

I want to thank the members for their enduring trust and confidence in the Association and I hope that the Association can continue to build momentum and serve its members even better in the coming year.

Michael Kerschbaum Executive Director



STRATEGIC PLAN 2014-2018

The 2014-2018 Strategic Plan retains its relevance and is monitored by the development of an annual business plan supporting its progress. In 2016-2017 Master Builders Tasmania continued the implementation of its current Strategic Plan focusing on its four core areas – MBT as leader in the building and construction industry; develop and maintain a sustainable fiscal position; add value to the provision of membership services; monitor and review the organisational structure and governance of MBT to ensure it meets the needs of its Members.

Master Builder Tasmania's current Strategic Plan will expire in 2018 and MBT has already commenced the development of a new Strategic Plan for the Association. The Plan will be a four year plan 2018-2022 and its intent will be sustained growth of the Association, continue to provide its members with the best of products and services and create a relevance to the building and construction industry in Tasmania.

ADVOCACY

Master Builders Tasmania will continue to develop relationships with all levels of Government and relevant stakeholders. Provide highly respected advocacy and voice for the growth and sustainability of the building and construction industry. The Association's Strategic Priorities for 2016-2017 have the potential to increase productivity, drive economic growth and create more jobs. MBT will be strong in its advocacy of its policies.

GOVERNANCE

Master Builders Tasmania State Council provides strong leadership and governance to the Association so it can fulfil its important role to members, industry and the community.

ORGANISATIONAL STRUCTURE

Master Builders Tasmania continues to monitor and review its structure and roles to ensure it meets the needs of its members.

The development of Cost Centres and staff aligned to these Cost Centres allows for a more agile structure and ability to adapt to Association, industry and membership changes more efficiently.

MEMBERSHIP

Master Builders Tasmania to maintain a sustainable fiscal position – increase appropriate membership to maximise representation in the industry and provide financial stability.

With two Membership Officers covering the state and a focus on identifying businesses within the industry that can benefit from being Master Builders Tasmania members numbers should continue to grow.

MASTER BUILDERS TASMANIA SERVICES

Provide highly valued products and services that align specifically to the building and construction industry.

During 2016-2017 new corporate partners have significantly increased benefits for members and MBT will continue to work with current and new partners to ensure members have access to up-to-date products.

REPORTING

State Council monitors the Strategic Plan on a regular basis ensuring that the Association is meeting its objectives. The annual Member Survey allows the Association to ensure awareness and satisfaction with the outcomes.

Important advocacy and lobbying is communicated on a regular basis so members are aware of the work being carried out

CORPORATE GOVERNANCE

Master Builders Tasmania utilizes corporate governance systems that guide the way it manages its business, minimises risk and ensures integrity.

Master Builders Tasmania Constitution has not undergone any changes since May 2015 and allows for a State Council of nine (9). State Council consists of three (3) regional chairmen and two (2) regional representatives from each of the three regions (South, North and North West), the immediate Past President (ex-officio position) and has the discretionary authority to appoint up to two (2) Co-opted Extraordinary Board Members. In 2016, an election year, Master Builders Tasmania appointed two (2) Co-opted Extraordinary Board Members to State Council – namely Messrs David Moody (position of Treasurer) and Mrs Vonette Mead (State Councillor). Mrs Mead was the first female elected to State Council in the history of Master Builders Tasmania.

A full list of current MBT committee members and staff is available at www.mbatas.org.au – members section – members documents – staff profiles/committees

STATE COUNCIL ATTENDANCE REGISTER 2016-2017

Command Desidies

Name Current Position		Meetings Attended	Meetings eligible to attend	
Lyndon Fenton	President	11	11	
David Gates	Vice President	11	11	
David Moody	Treasurer	8	11	
Craig Edmunds	Immediate Past President	Past 10		
Denis Reid	State Councillor	11	11	
Rod Betts	State Councillor	7	9	
Tony Streefland	State Councillor	9	11	
Andrew Kilpatrick	State Councillor	11	11	
John Faulkner	State Councillor	11	11	
Wayne Licht	State Councillor	10	11	
Grant Barnes	State Councillor	8	9	
Vonette Mead	State Councillor	7	7	
Name	Positions held July- September 2016	Meetings Attended	Meetings eligible to attend	
Russell Oakes	State Councillor	2	2	
Shane Davidson	State Councillor 2 2		2	
Derrick Brown	State Councillor	2	2	
Barry Verhulst	State Councillor	2	2	
Tim Mead Immediate Past President		2	2	

PARTNERS

Throughout the year Master Builders Tasmania worked closely with all sponsors, supporters and partners to deliver a series of successful events and promotional opportunities.

The Awards for Excellence in 2016 moved outside of the state capital for the first time and were held in Launceston. The Awards program met an enthusiastic response from members, sponsors and patrons with record numbers in attendance.

Master Builders Tasmania held an Economic Breakfast, a number of Women in Building and Construction Events, Industrial Relations Breakfast, President's Luncheon and Regional Dinners during this financial year. All events providing the industry with information and opportunities for networking.

Master Builders Tasmania thanks the Association's supporters without whom many events simply could not be held. Management and staff will continue to work with all the Association's current and future valued sponsors in 2017-2018.



CBUS continues as MBT's major Corporate Partner and MBT thanks them for their ongoing support.

















MEMBERSHIP

Master Builders Tasmania membership base increased in the 2016-2017 financial year, reflective of its continued focus on recruitment and retention strategies and investment in new and improved member products and services, as well as the stable outlook in industry confidence in this state.

Master Builders has shown leadership in the Construction Industry by providing a wide range of tailored services to all of its members, whether they are a small or a large business.

Master Builders Tasmania has provided innovative training, up-to-date advice, branding and marketing, builder registration advice, financial advice, insurance, Work Health and Safety, industrial relations and lobbying.

MEMBERSHIP NUMBERS AS AT 30th JUNE 2017 (and previous two years)

YEAR 14/15	GENERAL	HOUSING	TRADE CONTRACTOR	TRADE SUPPLIER	SERVICE PROVIDER	AFFILIATE
NORTH	11	120	61	11	7	4
NTH WEST	7	58	43	4	6	4
SOUTH	17	58	64	19	12	4
TOTALS	35	236	168	34	25	12

TOTAL: 510

YEAR 15/16	GENERAL	HOUSING	TRADE CONTRACTOR	TRADE SUPPLIER	SERVICE PROVIDER	AFFILIATE
NORTH	12	139	52	8	8	1
NTH WEST	8	68	37	5	6	5
SOUTH	17	80	52	22	20	4
TOTALS	37	287	141	35	34	10

TOTAL: 544

YEAR 16/17	GENERAL	HOUSING	TRADE CONTRACTOR	TRADE SUPPLIER	SERVICE PROVIDER	AFFILIATE
NORTH	12	145	58	9	8	2
NTH WEST	8	64	35	6	6	5
SOUTH	16	81	66	28	23	2
TOTALS	36	290	159	43	37	9

TOTAL: 574

TRAINING

Over 2016-2017 Master Builders Tasmania facilitated the delivery of 21 different courses over 72 events – 27 in Hobart, 19 in Devonport, 24 in Launceston plus one each on King and Flinders Islands. In total, MBT facilitated the delivery to 843 participants; the most attended were Changes to the Building Act (366), Provide First Aid (105), Wet Area Waterproofing (52) and Asbestos Awareness (52).

New courses offered this year:

- Changes to the Building Act
- Select and Prepare a Contract
- Bullying & Harassment
- Disability Access Requirements
- Mental Health

The Certificate IV in Building & Construction units attracted on average 65 participants statewide which equates to approximately 8400 contact hours, with also the inclusion of delivery on King Island.

MBT delivered induction training sessions for the John Holland / Fairbrother Joint Venture Royal Hobart Hospital project with Stage 1 inductions winding down in October 2016 and Stage 2 beginning in November 2016. Six hundred and ten (610) contractors have attended over 69 sessions.

MBA INSURANCE SERVICES (MBAIS)

MBA Insurance Services (MBAIS) is the general insurance brokerage owned by seven of Australia's Master Builders Associations.

(NSW, VIC, TAS, WA, NT, ACT, SA)

MBAIS services the members of these State/Territory Associations through major offices in Melbourne, Sydney, Perth and Adelaide and smaller offices in the other States, including Tasmania. Each State employs specialist staff skilled in the key areas of building and construction insurance – Contract Works, Home Warranty and Trades Insurance.

Originally the business was established to ensure that the building and construction sector would always be influential within the insurance market in all matters affecting its industry. This meant that the industry had a seat at the table with those bodies whose decisions could significantly impact them, such as Governments and Insurance Companies.

By being a leading broker in this sphere, MBAIS uses its industry muscle to leverage great 'value for money' insurance arrangements with preferred underwriters, ultimately keeping members' premiums down and policy coverage broad.

Master Builders Tasmania employs its own insurance broker providing our members with all of MBAIS' insurance related services. From a local perspective budget was not met for the 2016-2017 year but MBAIS as an investment for MBT has continued to grow its market share delivering a good financial performance for its shareholders.

MBA FINANCE PTY LTD

Master Builders Finance grew consistently over the course of the 2016/17 financial year. As business picked up, so did its systems and people. MBA Finance now has a healthy book of work and employs several people in various capacities, including one broker in the North of the state.

The product range and offering has expanded and now includes two products that have been specifically developed for MBT by Bendigo and Adelaide Bank. More exciting products are planned in conjunction with Bendigo and Adelaide Bank as the relationship develops.

Interest in MBA Finance is building not only from within Tasmania but also from elsewhere. Interstate MBA's have shown interest in becoming involved in MBA Finance, which would assist the products and services on offer to Tasmanian clients.

MBT GROUP TRAINING ORGANISATION

MBT Group Training Organisation (MBT GTO) is continuing to serve its members and the broader industry through the employment and training of apprentices in the building and construction industry. MBT GTO provides flexible and affordable placements to Host Employers choosing to use the services of apprentices employed through MBT GTO.

This financial year has seen growth in the employment of apprentices due to the general upturn in building activity being felt across the state. From a base of eleven (11) apprentices in late 2016, MBT GTO was employing 16 apprentices across the state by June 2017. This is an increase of 45%, with an expectation of continued growth during the coming months. During early 2017, the GTO employed its first apprentice in the south, quickly followed by a further two, including one based on Bruny Island. This was followed by a completion, and subsequent employment of another apprentice on Flinders Island.

In conjunction with this growth there has been a substantial review of policies and procedures required to maintain the GTO's function, with new and streamlined processes implemented during the early part of 2017. This has included addressing issues relating to the employment of apprentices and ensuring that topics such as their safety and well-being are addressed by both the GTO, and the Host Employers themselves, which is supported by MBT GTO's Pre-Employment Medical policy and the requirement for Host Employers to have a WHS Management Plan in place when using a MBT GTO apprentice.

MBT GTO's growth over the past year can be attributed to all staff, and in particular the collaborative efforts of the Northern office staff, where the GTO is based including MBT GTO's Officer, Mr David Garden, who commenced his role in late January 2017.

COMMITTEE REPORTS

COMMERCIAL SECTOR COMMITTEE

Mr Darryn Scott was selected as Chairman of the Commercial Sector Committee and appointed by State Council on the Committee's unanimous recommendation.

The meetings continue to be split between the North, North West and South, with attendance typically being higher at the southern meetings. The Committee dealt with numerous issues over the 2016 - 2017 period including;

- Mr Julian Proud was elected as Chair of the Safety Committee which led to the
 continued provision of training and guidance for subcontractors to help upskill them
 regarding the more evolved standards, including WHS, required to work safely and
 compliantly on larger commercial sites. The Safety Committee also supported MBT –
 auspiced training initiatives aimed at producing multi-skilled career-oriented
 scaffolders
- Projects in the North and North West of the state are starting to increase e.g.
 Devonport's Living City and Launceston's Silos project as well as the prospective
 UTAS Invermay project. Commercial projects on the South are steadily increasing in
 activity now that both the Royal Hobart Hospital and the various hotel projects are
 starting to come online. This is leading to increasing skill shortages, especially in
 finishing trades, and will likely also see shortages in the structural trades
- The issue of poor minimum standard documentation (MSD) Class 2-9 for commercial buildings continues to impede the sector. The RAIA has produced draft new Class 2-9 MSD which Consumer Building and Occupational Services (CBOS) needs to forward to stakeholders, such as this Committee, for its input prior to finalization. This issue is one that the Committee continues to advance as a priority
- Union presence is still evident, especially in the South where construction is more
 active. The Unions are targeting subcontractors on a number of sites and strongly
 pushing for them to sign up their employees under Enterprise Bargaining Agreements
 (EBAs). As a result of the strong commercial environment, there is strong upward
 pressure on wages, with a number of builders and subcontractors signing EBAs
 reflective of both these pressures and the shortage of skilled on-site labor
- MBT, in conjunction with the RAIA and UTAS, again ran a successful Work Experience Scheme involving later year architectural students who were hosted by commercial builders to give them some 'real life' practical commercial experience
- The Committee was supportive of the Asbestos Free Tasmania Foundation's project
 to produce leaflets educating on-site personnel e.g. tradespersons about asbestos
 risks to watch for on-site. Four of the major builders agreed to financially assist the
 production of the leaflet and MBT actively supported the leaflet's launch
- The Committee is looking to explore ways to engage better with younger members including looking at running forums targeting them and hopes to kick off this program in February 2018
- During this financial year a number of guest speakers addressed the Committee including Ms Kirsten Orr (UTAS - Head of School of Architecture and Design), Mr

Andrew Finch (Director Procurement and Property at Department of Treasury and Finance Tasmania) and various FWBC (now ABCC) representatives

HOUSING SECTOR COMMITTEE

During 2015-2016 Housing Sector Committee meetings experienced a brief surge in attendance numbers, however, overall attendee numbers have declined in 2016-2017 to a point where the Committee is essentially non-functioning in its current configuration.

The number of 'genuine' Housing Sector Committee attendees has been minimal for some time and far from a fair representation of those who are active in that sector. In addition to that, throughout 2016-2017 the Housing Sector Committee has been unable to attract adequate attendee numbers despite soliciting potential attendees via direct invitations and reminders. Unfortunately, attendee numbers have been insufficient to justify holding the past four scheduled meetings.

It is clear that the Housing Sector Committee is not fulfilling its intended purpose, yet it is a vitally important forum which provides a mechanism for discussion, gathering and collating of Housing Sector issues in order to carry them forward at both the local and National levels. To ensure that this need is fulfilled it is obvious that a review of the Housing Sector Committee, in its current format, is required. In terms of actual member numbers, Housing Contractors and Housing Trade Contractor members make up just over 75% of the total (hands on) builder membership. Ensuring that MBT delivers a workable system through which input and feedback is gathered and which directly relates to its Housing members should be a priority.

From informally gathered feedback it is clear that the current daytime meeting schedule prevents participation, therefore if we accept that the current model is not working, a review is needed and a new model of Housing Sector service delivery should be developed.

It is proposed to trial the integration of a Housing Sector Committee specific agenda into regional Monthly General Meetings, subsequently and depending on the outcome the existing Housing Committee Charter will need to be reviewed. Until that happens, permission has been sought from the Executive Director to recess the Housing Sector Committee Charter until reconfiguration and integration of Housing matters into service delivery is finalised.

On a more positive note, Mr Tony Streefland continued in his third year as Chairman and despite the lack of meetings, MBT gratefully acknowledges that Mr Streefland has been proactive in ensuring that Housing issues are kept alive and carried forward through direct interaction with some of the Housing Sector members. Subsequently a few ongoing items of Committee 'business' have been addressed in the last twelve months. These include:-

- MBT contracts have undergone further review. The DB3 Lump Sum and CP4 Cost Plus Contracts have been amended and finalised.
- Both the Minor Works Contract and Preliminary Agreement are under review.
- A series of Guidance/Advice documents (previously known as Disclaimers), were finalised and are available at regional offices or can be downloaded from the MBT website
- WHS issues, particularly addressing/clarifying Roof Batten Spacings is ongoing.

REGIONAL MEETINGS - REPORTS

SOUTHERN REGION

The past twelve months has seen 10 regional meetings with a considerable number of sponsors/suppliers as guest speakers providing overviews for their products and services available. Some of the meetings were held at Master Builders Tasmania office Bathurst Street and other meetings were held at the supplier's premises of business which proved very successful for all concerned.

Tabled below is some of the guests' brief and information provided:

- Island Block & Paving provided overview of new premises in Derwent Park and their new range of products and promoted member only discounts.
- Building Act 2016 members were advised that the Association will be involved in regular teleconferences with Director of Building control regarding implementations of the Building related Act.
- Mr Brise Shields from Austral Bricks overviewed new Brickworks Design Studio where the meeting was held and also provided presentation on new products available – the members of MBT were the first to see these new products.
- Mr Bill Cranny from Home Communication Networks discussed NBN infrastructure, speeds and installations.
- Mr Shane Wright & Mr Adam Coulson from Haymes Paint spoke about Haymes Paint brand, family values, proudly owned Australian Company with 190 branches and member discounts.
- Mr Todd Lambert from Cbus, Master Builders Platinum Partner spoke about how Cbus can assist members with superannuation.
- New award wage rates sent out and members were made aware they were required to pay the new rates.
- Hosted by DJ Mazda at their premises. Mrs Emily Hills spoke about DJ Mazda being a family business, over for three generations. Discussed member benefits and sponsorship to MBT.
- Messrs Greg Boulton and Deryck Smith from Urbanline presented a number of their products from cladding to decking to panelling.

Regional Items of Interest:

The Southern Regional Dinner was held in December 2016 at the new Brickworks
Design Studio – Franklin Wharf. The ambience was excellent and the food was a
wonderful selection. A great night enjoyed by all. There were a number of
presentations for new members. Thanks must go to Austral Bricks for providing a truly
wonderful experience for all members.

There were a number of events held in the Southern Region and these included:

- Advancing Women in Construction held at Brickworks Design Studio and completely booked out. The event went smoothly and the guest speakers provided a wonderful overview of the construction industry and as to why we should invite and have more women in the industry.
- The Industry Breakfast booked out and held at Best Western Hobart a major sponsor of Master Builders Tasmania. The guests were enthralled and delighted with the specific overview of the State Economy/Australian Economy and future forecast.

South Regional Management Committee

There was only the one (1) Regional Management Committee meeting held in 2016-2017 and that was to deal with the election process in July 2016. The Southern Regional Management Committee members are: Messrs Rod Betts (Chairman) and State Councillor, Mr R Oakes (Vice Chairman), Denis Reid Regional Representative on State Council, Lyndon Fenton Regional Representative on State Council.

NORTHERN REGION

General

New legislation which came into effect on 1st January 2017 created additional work for all MBT staff in all regions plus Building Industry activity in the North escalated significantly over the 2016-2017 year which resulted in another busy year for the Northern Regional office. Subsequently the North has experienced an increased demand for MBT 'products' and member service delivery as well as good member support for events, training and meeting attendance. The Monthly General Meetings continue to see adequate numbers in attendance, however, there is room to increase numbers and encourage participation from newer / younger members.

North Regional Management Committee

The past year has seen a revival of the Regional Management Committee after a period of virtual inactivity, and with that revival an enthusiasm to ensure that MBT remains a relevant as an industry association in this region. The Committee is aware of the need to remain relevant and whilst membership is strong and meeting attendance is quite good, the NRMC realise that it is essential for the Association to be able to attract and retain new members. Consequently the Committee has set an agenda for review and change during the 2017-2018 year to ensure that the provision of service, training, member support and events is of value to members.

Excellence Awards

Northern members again proved their skills with success at the Association's 2016 Excellence Awards, held at the Grand Chancellor, Launceston. Support for this change in venue was unprecedented with a record crowd of 387 in attendance and State Council has in principal approved to hold the Awards in Launceston again in 2019.

Congratulations to all these regional winners for their good work and commitment to the Association through the Excellence Awards.

Best Use of Glass – Elysium Constructions and Developments

Unique Achievement in Construction - Anstie Constructions

Heritage listed or period building restoration/renovation Open Value – Burleigh & Dean Constructions Pty Ltd

Renovation/Fitout under \$1 million - Darcon Constructions Pty Ltd

Dwelling construction under \$200,000.00 – Turner Building Contractors

Dwelling construction \$500,000.00 to \$750,000.00 - Elysium Constructions and Developments

Renovation/Addition under \$200,000.00 - TJ Vimpany & Sons Pty Ltd

Soil and Water Management – Vos Construction and Joinery Pty Ltd

Work Health and Safety - Vos Construction and Joinery Pty Ltd

Hands on Skill Apprentice of the Year – Fairbrother Construction (Mitchel Hill)

Specialist contractor of the Year - Fairbrother Construction

Civil Construction - Fairbrother Construction

Lifestyle for Seniors, Open Value - Fairbrother Construction

New Construction \$2 million to \$5 million – Vos Construction and Joinery Pty Ltd New Construction \$5 million to \$10 million – Vos Construction and Joinery Pty Ltd New Construction over \$10 million – Vos Construction and Joinery Pty Ltd New Construction under \$1 million – Vos Construction and Joinery Pty Ltd Renovation/Fit out over \$1 million – Vos Construction and Joinery Pty Ltd Commercial Builder of the Year – Vos Construction and Joinery Pty Ltd

New Staff

In January 2017 Mr David Garden commenced employment at the MBT Northern Office, filling the roles of membership services and management of our Group Training Organisation. In his short time thus far, David has made significant changes and improvements to the GTO operational systems as well as steadily growing the number of apprentices employed.

Regional Christmas Function

The MBT Northern Region end of year dinner was held on 2nd December 2016 at the Tailrace Centre, Riverside. The dinner brought together 73 attendees to celebrate the end of a very busy 2016, as well as to present year of membership, new membership certificates and to recognise Certificate IV training achievements. A significant aspect of the evening was the presentation of a well deserved 30 Year Certificate of Membership to Paul Goodluck (PA & LP Goodluck Pty Ltd) for his membership service to MBT. Honorary members, Reg Walley, lan Dent and Max Seymour were also presented with a tie pin with the updated MBT logo.

Staff

Recognition and thanks must be given to our Northern staff. On behalf of members in the North I acknowledge and give special thanks to our very dedicated Sharon Woolridge who tirelessly works to assist member in this region and David Garden who came on board in January. David wasted no time settling in and has seamlessly fitted into the Northern team and is proving to be an asset to the Association.

Northern Regional Management Committee and State Council Representatives

Recognition and sincere thanks must also be given to members of the Regional Management Committee: Messrs Tony Streefland (Chairman) and State Councillor, John Faulkner (Vice Chairman), and Regional Representative on State Council, Andrew Kilpatrick Regional Representative on State Council, Craig Burleigh, Derrick Brown and Barry Verhulst who generously give their time to assist with attendance at State Council and the smooth running of the Northern Region.

NORTH WEST REGION

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

- Mr Richard Gilmour- Department of Health and Human Services came along to our Somerset meeting and spoke to members about the Tasmanian Government's Affordable Housing Strategy.
- Members attended a meeting held at Choices Floorings Showroom giving members the opportunity to view and ask questions about products available.
- Ms Olivia Ireland ID Clothing outlined to members the need for a work uniform as well as providing samples of what they can supply.
- Mr Jamie Chilcott of Eco Lighting and Supplies- brought in a massive display of lights that he can supply as well as showing members new products to the market.
- Mr Andrew Maloney of Island block and Paving spoke to members on new products they have available.

- A combined meeting with the North saw members travel to Somerset for a tour of the Speciality Veneers/ Corinna Timber Production Plant. The tour was a real highlight for members.
- Mr Bill Cranny spoke to members about how to get new builds NBN ready with a special offer that could save members real \$\$\$.
- Haymes Paint came along and explained to members about the quality of their product and the history of the Haymes Paint-family owned company.
- Mr Todd Lambert provided an overview to members of his role with Cbus and products and services available.

Regional Items of Interest:

The North West Region Dinner was held on 23rd June, 2017 at Mrs Jones Restaurant and Bar Lounge, Devonport. The dinner was well supported with 83 attending, including members, special guests, and life and honorary members.

The dinner received support from MBT's corporate sponsor Cbus and special dinner sponsor Hill Street North – Wells Mitre 10. A highlight was guest speaker, Mrs Dianne Edgerton (Direct Edge) who gave a very personal speech on being a female in the Building and Construction Industry and the challenges she has overcome as a woman and raising a family. A number of members were awarded Year Certificates of Membership at the dinner:

- J.W. & T.J. Beswick 30 years
- SERS Roofing Services 25 years
- VEC Civil Engineering 20 years
- Tony Braid Building Pty Ltd 20 years
- Peace of Mind Building 10 years

Year Certificate of Membership presented was presented to I Carter and G Franks – 20 year certificate in November 2016.

Mr L Fenton (MBT President) presented Honorary Members Mr J Beswick and Mr N Bingham with the newly designed Honorary Membership pin at the 2016 Christmas Tea for members.

North West Region Members again proved their skills with success at the Association Awards for Excellence 2016 with the following list of winners:

- State Apprentice of the Year Damon Addison, Mead Con
- Young Builder of the Year Luke Davies, Davies Construction
- Energy Efficiency Saward's Building Services/ Green Homes Australia NW Tasmania
- Specialist Contractor of the Year Fairbrother Joinery
- New Construction \$1 million \$2 Million Mead Con
- New Construction over \$10 Million Vos Construction and Joinery Pty Ltd
- New Construction under \$1 Million Vos Construction and Joinery Pty Ltd
- Heritage Listed or Period Home Restoration/ Renovation Open Value, JPO Building Contractors
- Dwelling Construction \$200,000- \$350,000 Heazlewood Homes
- Dwelling Construction \$350,00- \$500,000 Davies Construction
- Dwelling Construction over \$1 Million Oliver Kelly Construction
- Residential Builder of the Year Oliver Kelly Construction
- Commercial Builder of the Year Vos Construction and Joinery Pty Ltd

From the above state winners, Damon Addison of Mead Con went on to win the National Apprentice Award; Davies Construction the National Project Home \$350,000 to \$500,000;

Oliver Kelly Construction the National Luxury Project Home \$1 million to \$2 million; Vos Construction and Joinery Pty Ltd the National Commercial/Industrial Construction Award under \$5 million for its Three Capes Track Huts project; Fairbrother Joinery – Fairbrother Construction won the National Specialist Contractor of the Year for the Spirit of Tasmania project. These results again proving that Tasmanian apprentices and builders perform exceptionally well on the National stage.

The biggest MBT event of the year, the Awards for Excellence is managed from the North West and was a huge success in 2016, with the gala evening being held in Launceston – the first time that the Awards had moved outside of Hobart.

North West Regional Management Committee

North West Region Management Committee members for 2016-2017 and representatives on State Council were: Messrs G Barnes (Chairman) and State Councillor, T Mead (Vice Chairman), D Gates, Regional Representative on State Council, W Licht Regional Representative on State Council, R Treloar, S Davidson. The North West continues to be active with its Management Committee meeting regularly and holding seven (7) meetings in the financial year. MBT encourages members to make themselves available for election for Management Committee positions and use the experience as a stepping stone to a State Council position. The Management Committees ensure that Association matters are dealt with and that matters raised in the region get the attention required.

TREASURER'S REPORT

Members,

It is again my privilege to be able to present to you, the members of Master Builders' Association of Tasmania Inc, the Treasurers report for the 2016 to 2017 fiscal year.

In last year's report I mentioned the expected difficulties we were facing. With this in mind we set a creative and ambitious budget for the year which was intended to position some controls and to try and counteract the expected impact of the loss of major tenants and a new lift. The Bathurst Street building is/was still experiencing low enquiries for take up of tenancy, existing tenants were increasingly frustrated with the enduring and problematic original lift which was continuing to break down. It was therefore a decision by State Council to construct a new lift in the second lift shaft. This was to be funded, primarily, out of the Association's investments.

Although the second lift was an anticipated future expense, it has been constantly deferred for many years and it was now considered to be the major deterrent for not only acquiring future tenants, but for also maintaining the current ones. Overall, and aside from the loss of the major tenant, income was down by \$25k due to low occupancy rates in the building during the course of the year. Expenses were up across a range of areas but predominantly due to maintenance and lift replacement, related matters affecting the building and new lift installation. Expenses were \$21k above budget meaning that Bathurst Street underperformed by \$41k.

The other properties performed close to budget with some minor losses across the three properties.

Another cost which impacted on our Association, consistent with current industry workloads and the ever increasing necessity to meet the members' needs, was the requirement to employ more staff. The income generating benefits of employing more staff do not necessarily have a direct impact on immediate incomes but are realised over longer periods of time, unlike the expenses.

The Association's Administration income budget remained on track, however expenses were up due to a number of unforeseen increases which resulted in a \$75K blow out. Increases in expenses included Catering and Meeting costs, documentation and legal expenses for the new Building related Acts, long service leave legislative changes, some annual leave anomalies and unanticipated expenses with the new lift.

The Group Training Organisation (GTO) is out of its infancy and performing extremely well. It is now a significant income generator with a profit of around \$80K above a budgeted surplus of \$53K. The GTO now has a dedicated staff member and the expectation of apprentice numbers to increase. This will also increase expenses so a slightly lower profit is predicted in the forthcoming 2017/18 year.

Marketing and Events was the area we were ambitiously pushing to produce incomes, however staffing numbers and time constraints restricted the potential generation of income which will be carried forward to the next budgeted year. This cost centre underperformed (compared to budget) to the tune of \$11k as the cost centre was expected to break even. However, it should be noted that both expenses and income were down substantially on budget by similar amounts.

The MBA Insurance Services (MBAIS) cost centre underperformed as well. Income was down on budget by \$26k. Expenses were up slightly, resulting in a close to \$30k underperformance against budget, despite a write down in figures from the previous year.

Training failed to meet the budget expectations and finished with a \$53K loss on budget, most of which was related to the Skills Funding received for the Diploma, which failed to make its way in to the financial year figures in time. MBT facilitates Induction Training for the Royal Hobart Hospital and as a result of the delays that project experienced incomes were down slightly and expenses up, resulting in \$9,500 loss against budget.

Short term incomes from MBA Finance eluded our figures however FY 2017/18 should result in dividend payments and this will eventually result in MBA Finance producing a good long-term income stream for the Association.

Overall, the \$125K+ loss against budget was composed of almost all of the cost centres underperforming, with the exception of the GTO, an unusual occurrence with some of the cost centres usually outperforming in the budget.

We now have commitments for all of Bathurst Street to be tenanted, however expenditure is required to facilitate the fitout requirements of the new tenants. This will allow the property portfolio to perform well for the following year.

Marketing and Events is expected to work well and early signs are showing growth.

Members, I commend to you the Financial Statements and Auditor's Operating Report, being the financial position of Master Builders Tasmania for the financial year 2016 – 2017.

David Moody Treasurer



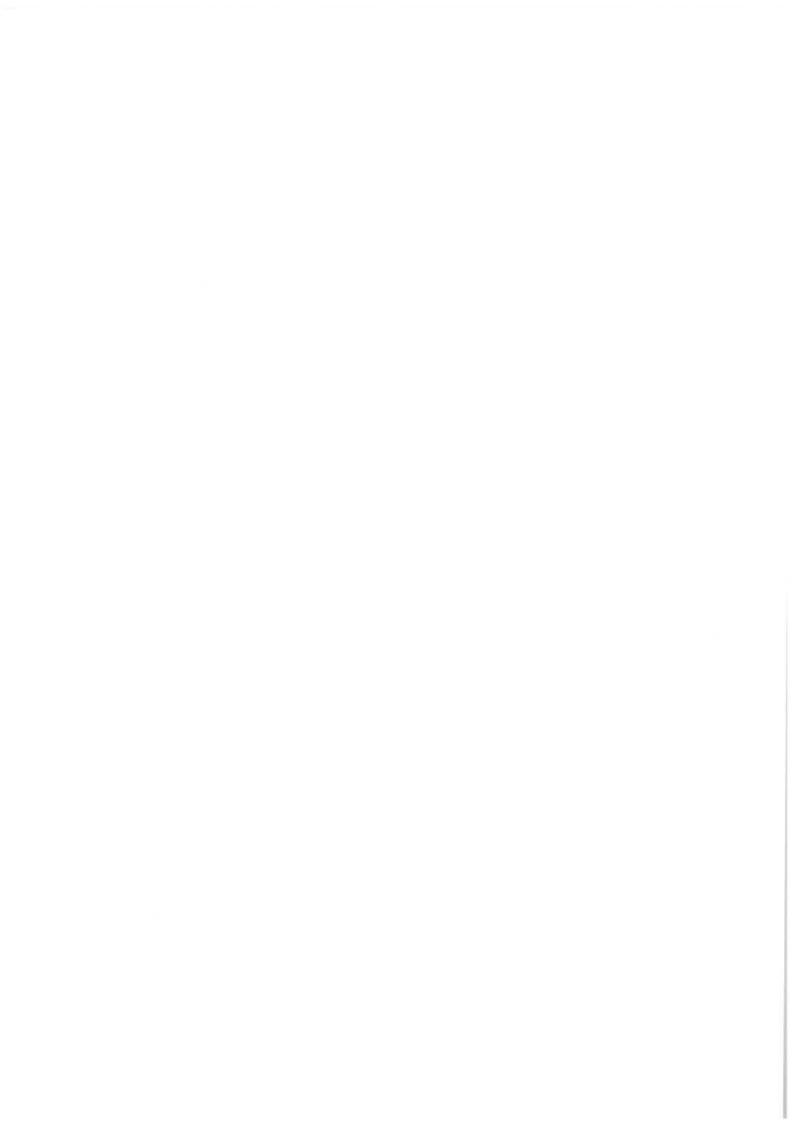
MASTER BUILDERS' ASSOCIATION OF TASMANIA INC



FINANCIAL STATEMENTS 2016-2017

The Master Builders'
Association of Tasmania
Inc.
Financial Statements
30 June 2017







Auditor's Independence Declaration to the Members of the Master Builders' Association of Tasmania Inc.

In relation to our audit of the financial report of the Master Builders Association of Tasmania Inc. for the financial year ended 30 June 2017, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements as set out in the *Fair Work (Registered Organisations) Act 2009;* and any applicable code of professional conduct.

NICK CARTER

Partner

Wise Lord & Ferguson

Chartered Accountants

1/160 Collins Street HOBART TAS 7000

Dated: 15/5/7317



INDEPENDENT AUDITOR'S REPORT

Members of the Master Builders' Association of Tasmania Inc.

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the Master Builders' Association of Tasmania Inc. which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Committee of Management's statement and operating report.

In our opinion the financial report of the Master Builders' Association of Tasmania Inc. has been prepared in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and Fair Work (Registered Organisations)

 Act 2009.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the Fair Work (Registered Organisations) Act 2009 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Committee of Management's Responsibility for the Financial Report

The Association's Committee of Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the Association's constitution and with the *Fair Work (Registered Organisations) Act 2009*, and for such internal control as Management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Liability limited by a scheme approved under Professional Standards Legislation.

In preparing the financial report, the Committee of Management are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

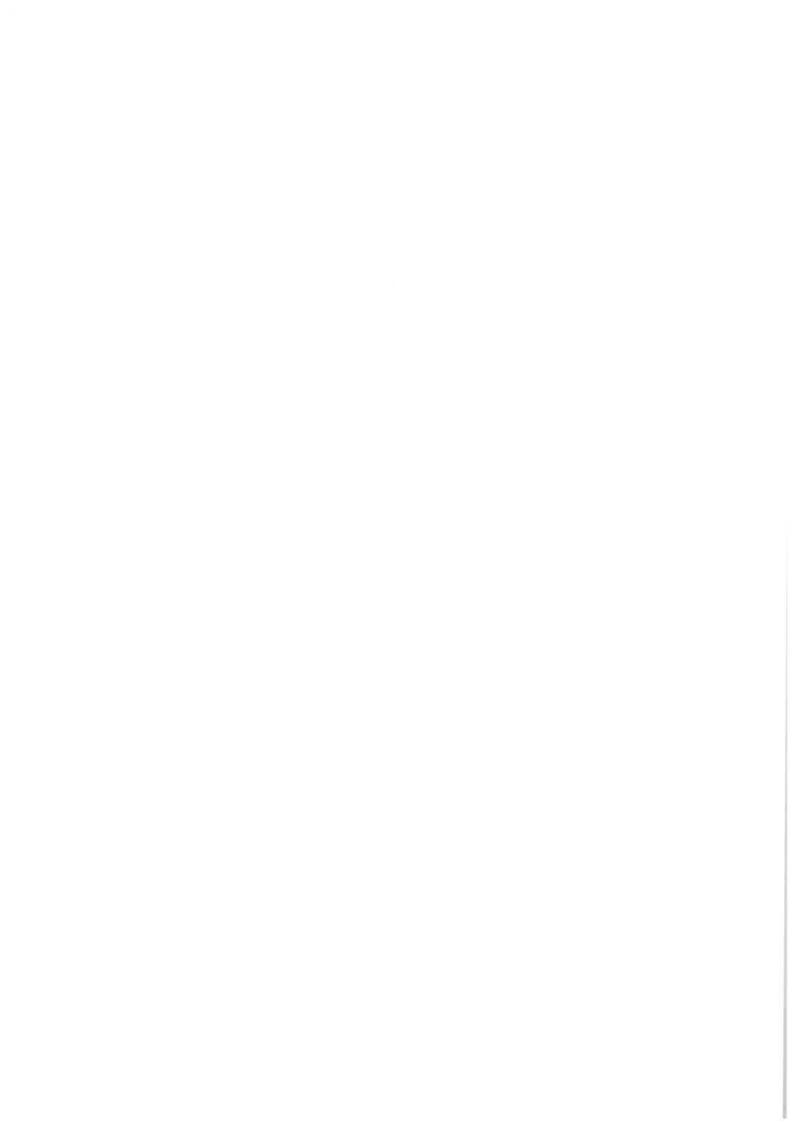
Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due
 to fraud or error, design and perform audit procedures responsive to those risks, and
 obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
 The risk of not detecting a material misstatement resulting from fraud is higher than for
 one resulting from error, as fraud may involve collusion, forgery, intentional omissions,
 misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.
- Conclude on the appropriateness of the responsible entity's use of the going concern
 basis of accounting and, based on the audit evidence obtained, whether a material
 uncertainty exists related to events or conditions that may cast significant doubt on the
 registered entity's ability to continue as a going concern. If we conclude that a material
 uncertainty exists, we are required to draw attention in our auditor's report to the related
 disclosures in the financial report or, if such disclosures are inadequate, to modify our
 opinion. Our conclusions are based on the audit evidence obtained up to the date of our
 auditor's report. However, future events or conditions may cause the registered entity to
 cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



• We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

NICK CARTER

Partner

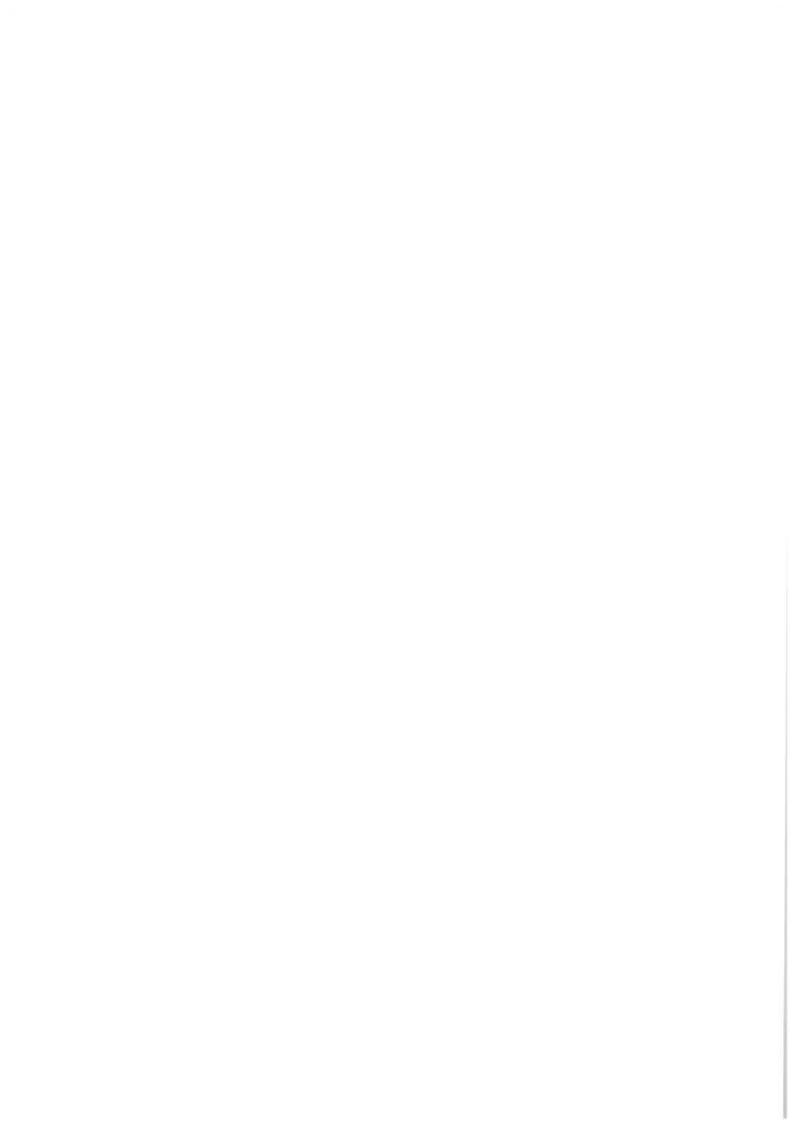
Wise Lord & Ferguson

Fellow of Institute of Chartered Accountants Australia & New Zealand CAANZ

Registered Company Auditor: 450133 Registered Auditor no: AA2017/125 Holder of Public Practice Certificate

1/160 Collins Street Hobart TAS 7001

Date: 18/8/7017



The Master Builders' Association of Tasmania Inc. OPERATING REPORT

for the period ended 30 June 2017

The officers of management present its report of The Master Builders' Association of Tasmania Inc for the year ended 30 June 2017.

Principal activities

The principal activities of the Association during the financial year were:

- Providing members services such as, contractual and commercial services, wide range
 of individual services including advice on industrial disputes, and negotiating with
 unions at both state and federal levels;
- Keeping members informed on matter relevant and relating to the building industry;
 and
- The Association promotes all forms of education and training within the building industry to encourage and preserve skills.

It is noted that during the financial year the activities of the Association were suitably carried out. No significant change in the nature of these activities occurred during the year.

The profit/(loss) from ordinary activities amounted to (\$126,353) for the period ending 30 June 2017 (2016: \$58,051).

Financial Affairs

On the 1st of July 2015, The Master Builders Association of Tasmania merged with the Tasmanian Builders' Association. This merger will allow the association to become a bigger, stronger and more viable Building Industry Association which is better able to represent the interests of and provide member services to its members across the state.

Right to Resign

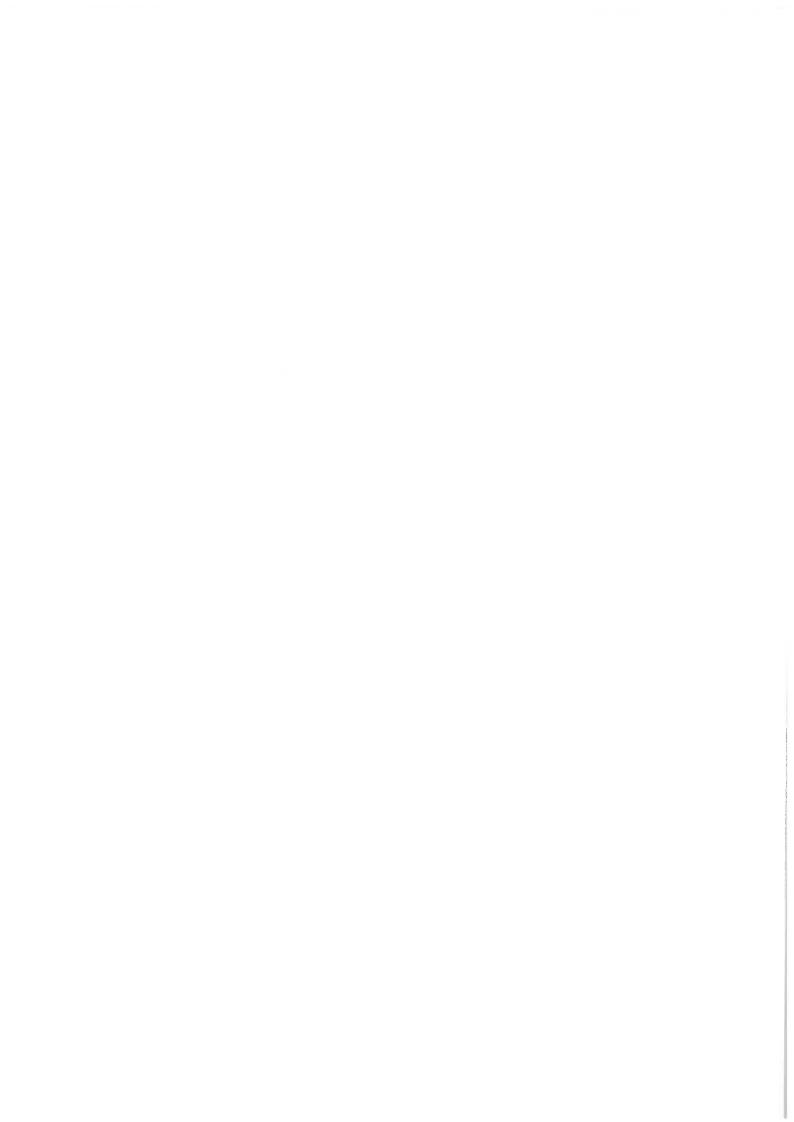
Rule 9 of the Association's Constitution deals with right of members to resign - any Member may resign from membership by written notice via letter, email or facsimile addressed to the Executive Director.

Superannuation Trustees/Directors

No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such a position is that they are an officer or member of an organisation.

Number of members

The association had 602 members at the end of the reporting period (2016: 574).



The Master Builders' Association of Tasmania Inc.

OPERATING REPORT

for the period ended 30 June 2017

Number of employees

The association employed 28 – (13 office based staff & 15 apprentices) as at 30 June 2017 (2016: 25 employees)

Payments to employers

The association did not make any payments during the financial year to employers as consideration for the employers making payroll deductions of membership subscriptions.

OPERATING REPORT

for the period ended 30 June 2017

Names of Committee of Management members and period positions held during the financial year:

President	Mr L Fenton	Councillor	Mr T Streefland
Vice President	Mr D Gates	Councillor	Mr A Kilpatrick
Treasurer	Mr D Moody	Councillor	Mr J Faulkner
Immediate Past President	Mr C Edmunds	Councillor	Mr D Reid
Councillor	Mr W Licht	Councillor	Mr R Betts
Councillor	Mr G Barnes	Councillor	Mrs V Mead

Names of Committee of Management members for part of the financial year - positions held as from 1.07.2016 to 23.09.2016

Councillor	Mr B Verhulst
Councillor	Mr D Brown
Councillor	Mr R Oakes
Councillor	Mr S Davidson
Immediate Past President	Mr T Mead

Signature of Designated Officer

Name and title of designated officer:

DAVID MOODY TREASURER

Dated: 18th August, 2017.



BRANCH EXECUTIVE DECLARATION

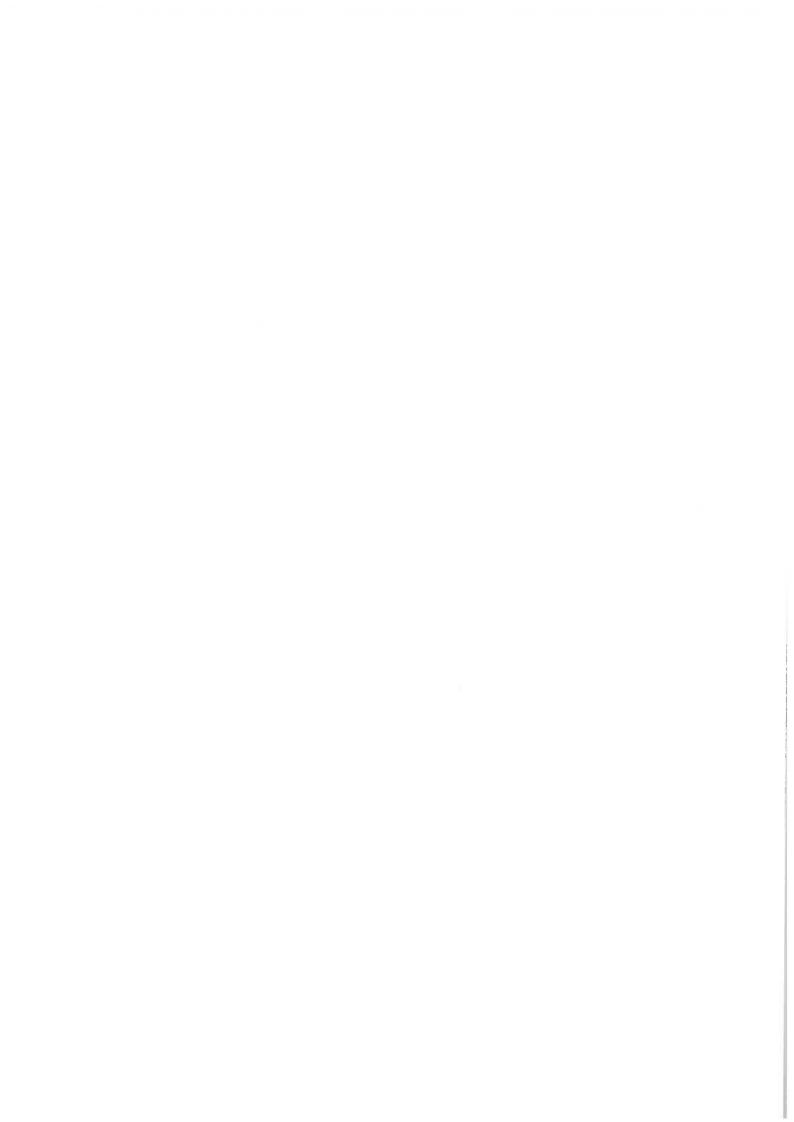
for the period ended 30 June 2017

On the 18th August, 2017 the *Committee of Management* of *Master Builders' Association of Tasmania Inc.* passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 30 June 2017:

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Registered Organisation Commission under section 273 of the RO Act, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

For the Committee of Management:	David Moody
Title of Office Held:	Treasurer
Signature:	
Date:	18 th August, 2017



The Master Builders' Association of Tasmania Inc. STATEMENT OF COMPREHENSIVE INCOME for the period ended 30 June 2017

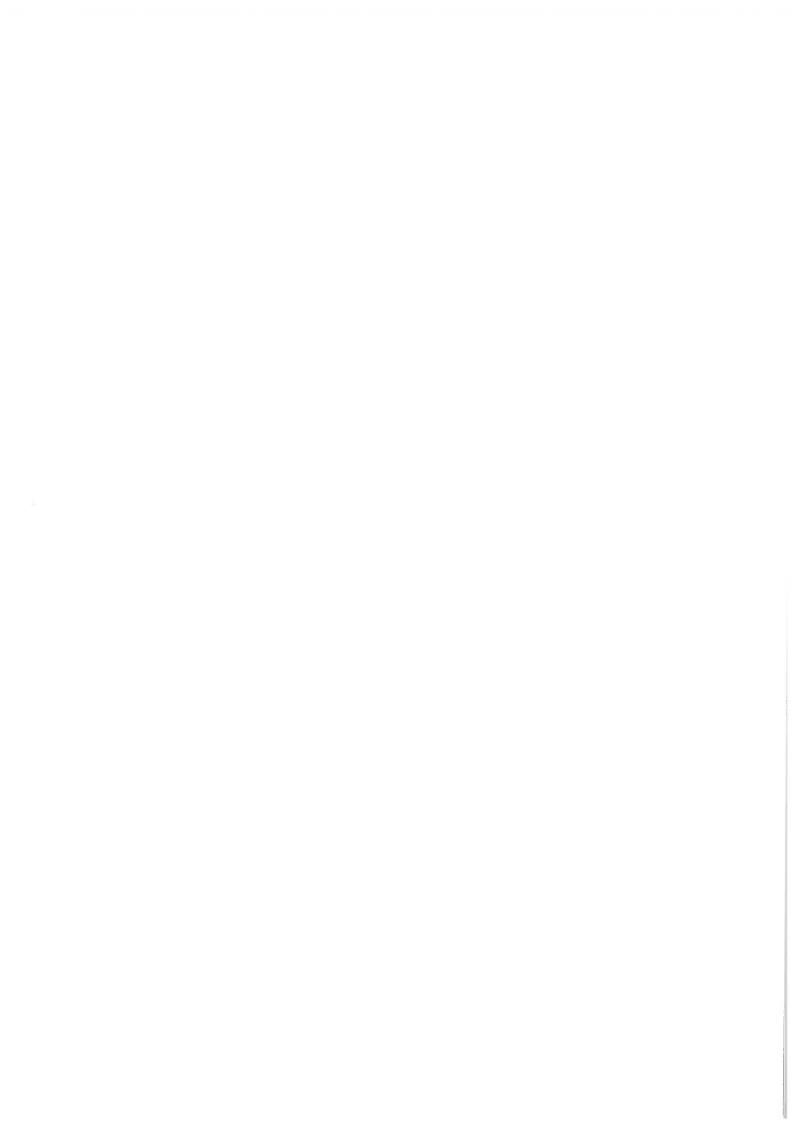
	Notes	2017 \$	2016 \$
REVENUE	3	2,523,072	2,397,378
TOTAL INCOME		2,523,072	2,397,378
EXPENSES			
Depreciation Expense	4	69,457	61,030
Employee Expenses	4	880,735	824,072
Other Expenses	4	1,699,233	1,454,225
TOTAL EXPENSES		2,649,425	2,339,327
PROFIT FOR THE YEAR	_	(126,353)	58,051
OTHER COMPREHENSIVE INCOME		-	GR
TOTAL COMPREHENSIVE INCOME	11 _	(126,353)	58,051

STATEMENT OF FINANCIAL POSITION

as at 30 June 2017

	Notes	2017 \$	2016 \$
CURRENT ASSETS		Ť	Ť
Cash & Cash Equivalents	5	373,908	634,042
Prepayments		11,918	20,353
Inventories		15,713	19,162
Trade Receivables	6	206,514	170,707
TOTAL CURRENT ASSETS		608,053	844,264
NON-CURRENT ASSETS			
Investment in MBAIS	19	120,000	120,000
Property, Plant & Equipment	7	1,724,163	1,520,171
Investment Properties	8	3,141,960	3,141,960
TOTAL NON-CURRENT ASSETS		4,986,123	4,782,131
TOTAL ASSETS	_	5,594,176	5,626,395
CURRENT LIABILITIES			
Trade Payables	9(a)	185,527	150,883
Income Received in Advance		70,523	15,521
Employee Entitlements	10	127,138	111,242
Other Liabilities	9(b) _	10,018	21,426
TOTAL CURRENT LIABILITIES		393,206	299,072
TOTAL LIABILITIES	_	393,206	310,276
NET ASSETS		5,200,970	5,327,323
EQUITY			
Accumulated Funds & Reserves	11	5,200,970	5,327,323

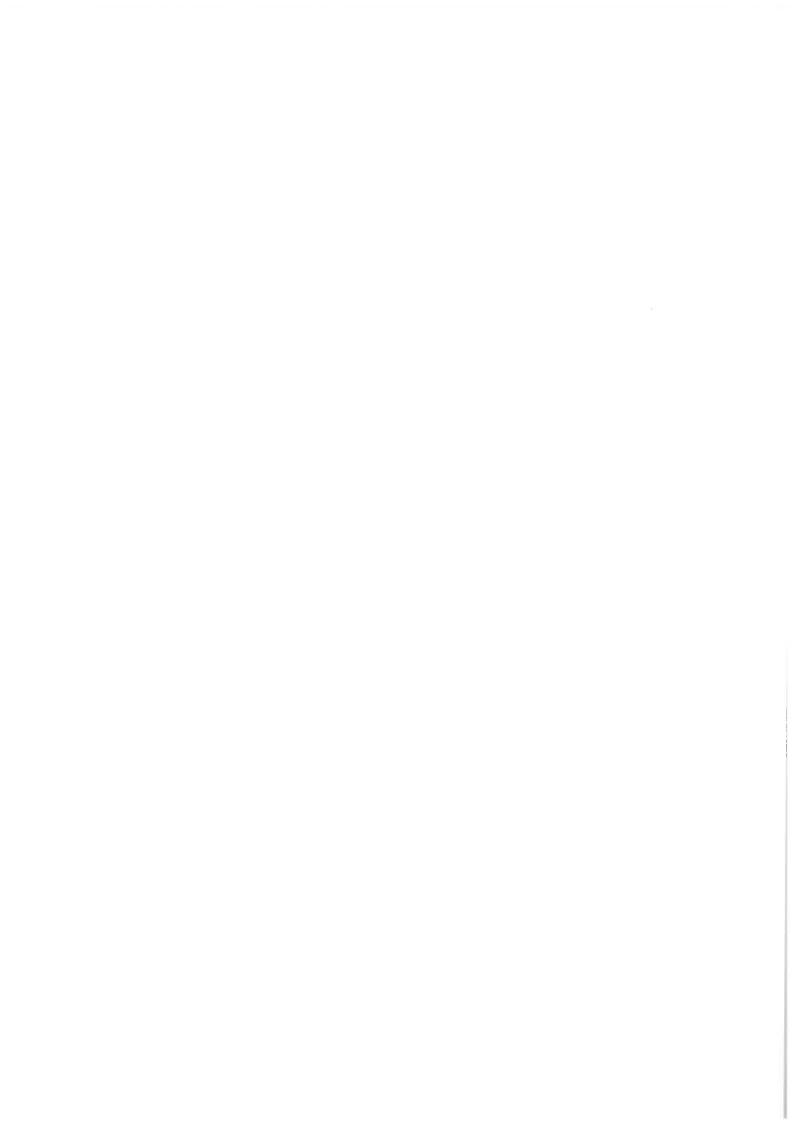
The accompanying notes form part of the financial statements.



The Master Builders' Association of Tasmania Inc. STATEMENT OF CHANGES IN EQUITY

for the period ended 30 June 2017

	RESERVES	ACCUMULATED FUNDS	TOTAL EQUITY
	\$	\$	\$
Balance as at 30 June 2015	708,083	4,431,836	5,139,919
Profit / (Loss) for the year	-	58,051	58,051
Merger with TBA	-	129,353	129,353
Balance as at 30 June 2016	708,083	4,619,240	5,327,323
Profit / (Loss) for the year	= =	(126,353)	(126,353)
Balance as at 30 June 2017	708,083	4,492,887	5,200,970

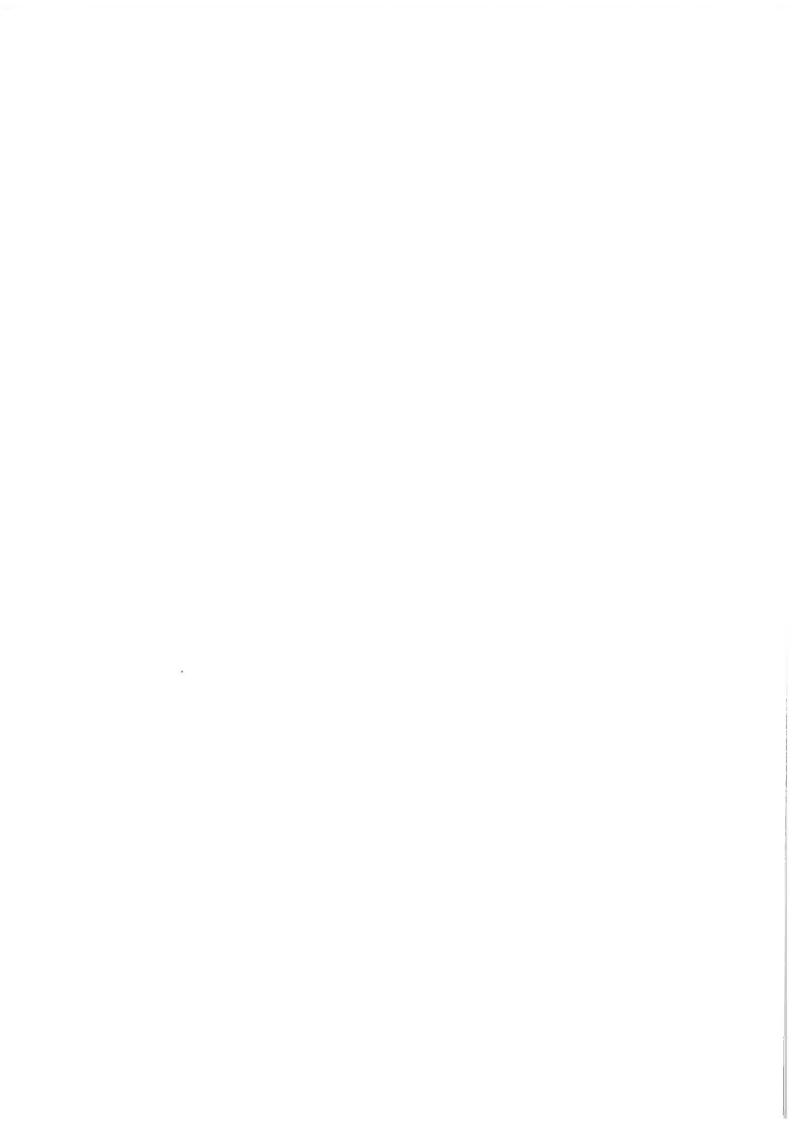


CASH FLOW STATEMENT

for the period ended 30 June 2017

	Notes	2017 \$	2016 \$
OPERATING ACTIVITIES		τ	•
Cash received Receipts from trading		2,538,037	2,287,374
Interest received	_	7,679	10,408
Cash used Payments to suppliers & employees		(2,532,400)	(2,177,768)
Net cash from (used by) operating activities	13(b)	13,316	120,014
	_		
INVESTING ACTIVITIES			
Cash received			10.001
Disposal of equipment Merger with TBA		-	10,981 118,149
Cash used	_		
Purchase of equipment and investment properties		(273,450)	(61,328)
Net cash from (used by) investing activities	=	(273,450)	67,802
	_		
Net increase (decrease) in cash held	_	(260,134)	187,816
Cash & cash equivalents at the beginning of the reporting period	_	634,042	446,226
Cash & cash equivalents at the end of the reporting period	13(a)	373,908	634,042

The accompanying notes form part of the financial statements.



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of the financial statements

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

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

New Australian Accounting Standards

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to Master Builders. Master Builders has decided not to early adopt any of the new and amended pronouncements. Management have assessed forthcoming standards and determined they will not have a material impact on Master Builders financial statements.

(a) Comparative amounts

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

(b) Trade 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.

(c) Inventories

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

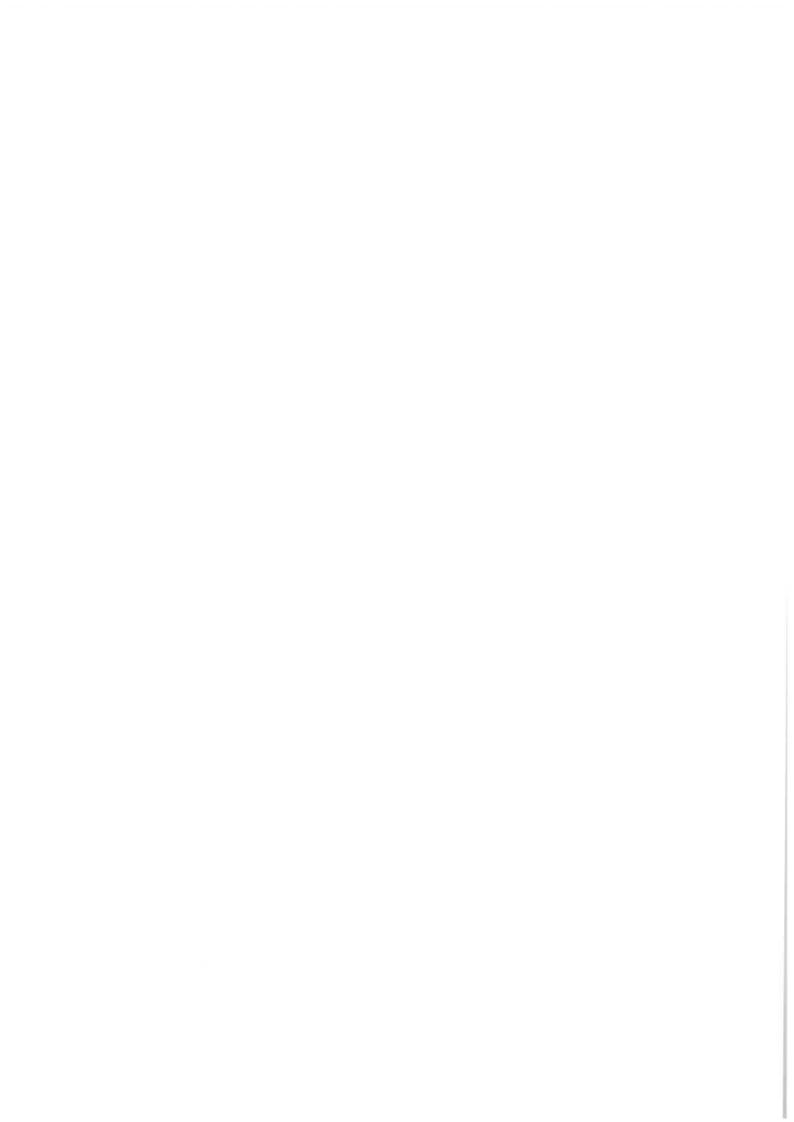
(d) Cash and Cash Equivalents

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.

(e) Trade Payables & Other Liabilities

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.



(f) Property, Plant and Equipment

Valuation

All classes of property, plant and equipment are valued at cost, except for the investment properties which are valued under AASB140 Investment Properties as noted below.

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:	2017	2016
Motor vehicles	4 – 5 years	4 - 5 years
Plant and Equipment	2.5 – 11 years	2.5 - 11 years
Buildings	50 years	50 years

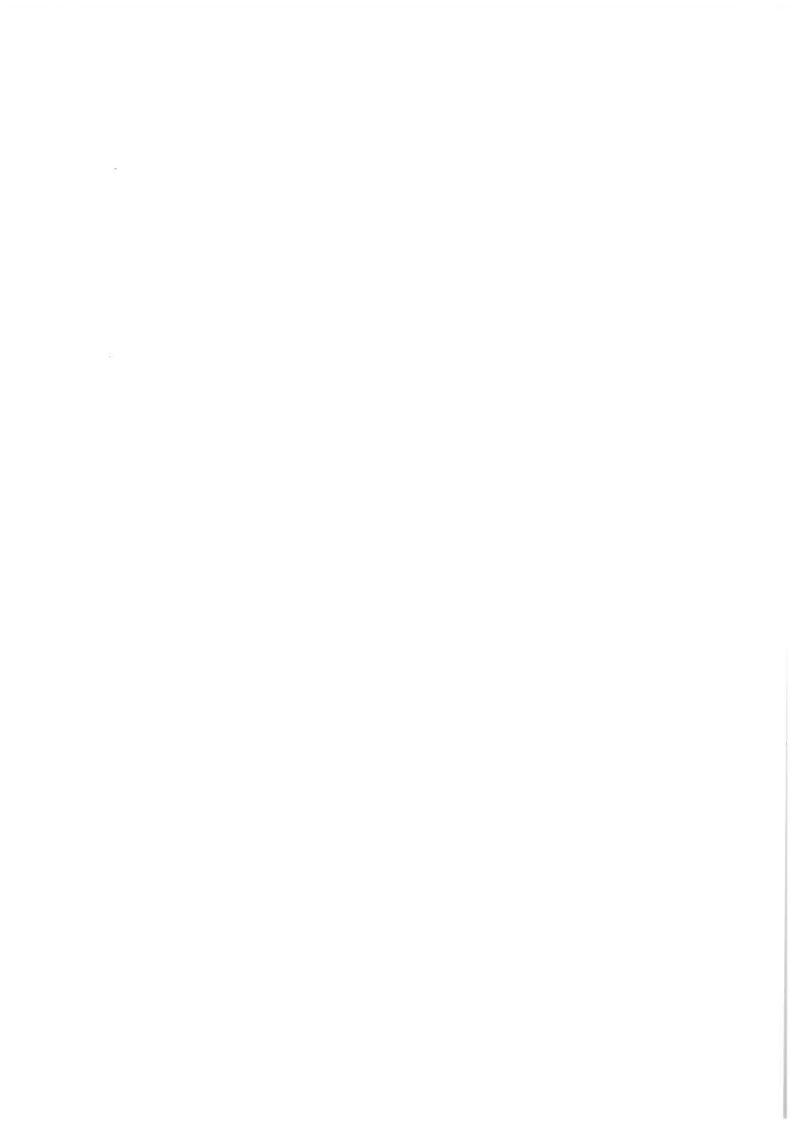
Impairment

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 profit and loss unless the asset is carried at a revalued amount, in which case the impairment loss is treated as a devaluation in accordance with the relevant standard.

(g) Investment Properties

The property purchased during the 2010 year, 116 Bathurst Street Hobart, is considered an investment property and is governed by AASB140 Investment Properties. Within AASB140 Investment Properties, the cost model was originally adopted. Under the cost model, the asset is valued at cost and is not depreciated. During the 2012 year the fair value model was adopted to replace the cost model. Details regarding the fair value of the asset at balance sheet date are disclosed in the notes to the financial statements. Refer note 8.

During the 2011 year the fair value model of AASB140 Investment Properties was adopted for the Canning Street property. Transfers of buildings to investment properties can only occur under the fair value model and not the cost model as used for the purchase of the Bathurst Street property. Under the fair value model the asset is valued at fair value and is not depreciated. Any changes to the fair value of investment properties are recognised in profit and loss in the period in which they occur.



(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

Subscription income is recognised when the member invoice is generated.

Apprentice Hire

Apprentice Hire income is recognised when the apprentice invoice is generated.

Training

Training income is recognised when the member invoice is generated.

Interest

Interest income is recognised as it accrues.

Sale of Goods

Control of the goods has passed to the buyer.

Property Income

Property income is recognised as it accrues.

(i) Taxes

A 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.

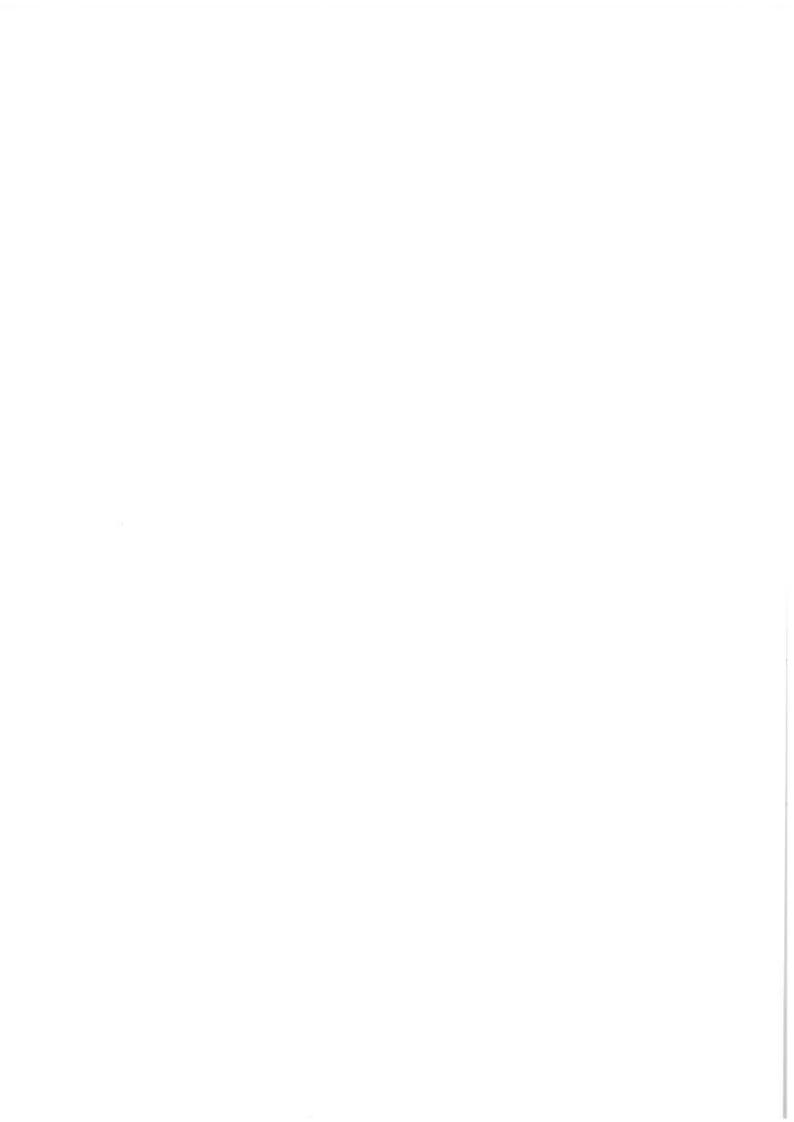
Goods and Services Tax (GST)

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.

(I) Accounting judgements and estimates

The preparation of financial statements requires management to make judgements estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is described in note 10 where judgements have been made in relation to the value of employee entitlements.

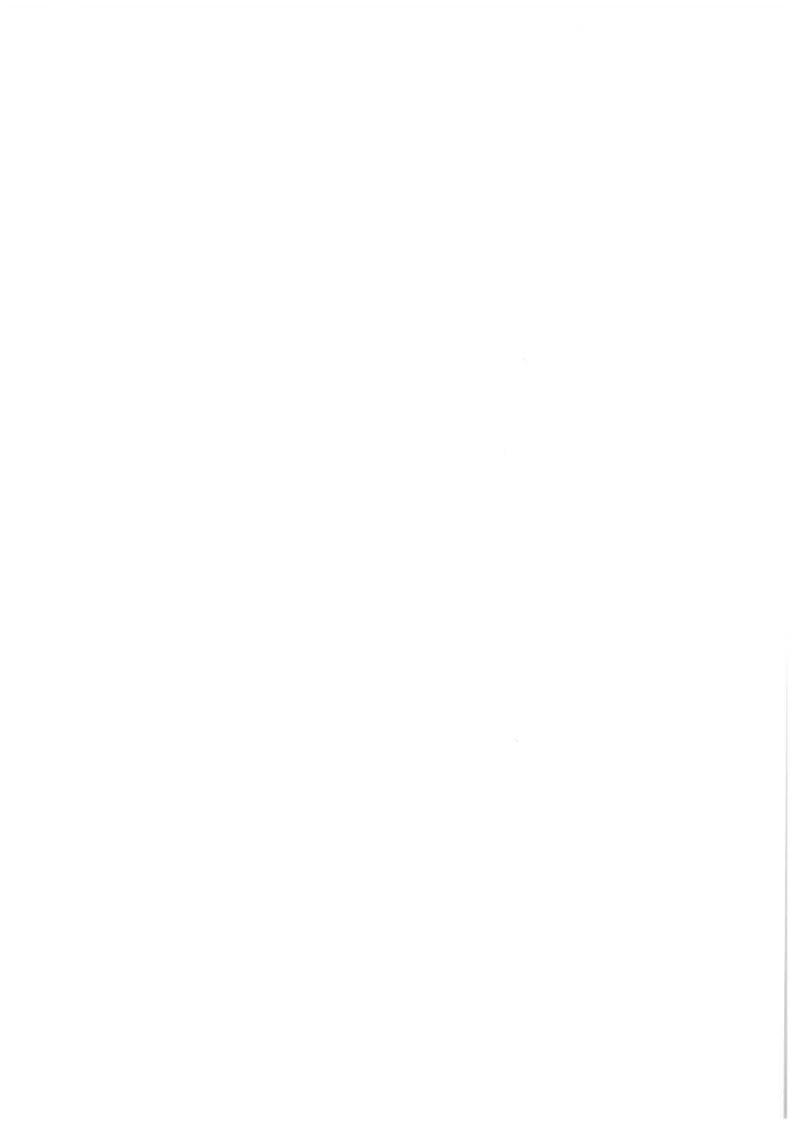
(m) Fair value measurement

The Master Builders Association of Tasmania measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at fair value are disclosed in Note 8.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Master Builders Association of Tasmania uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, Master Builders Association of Tasmania determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, Master Builders Association of Tasmania has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

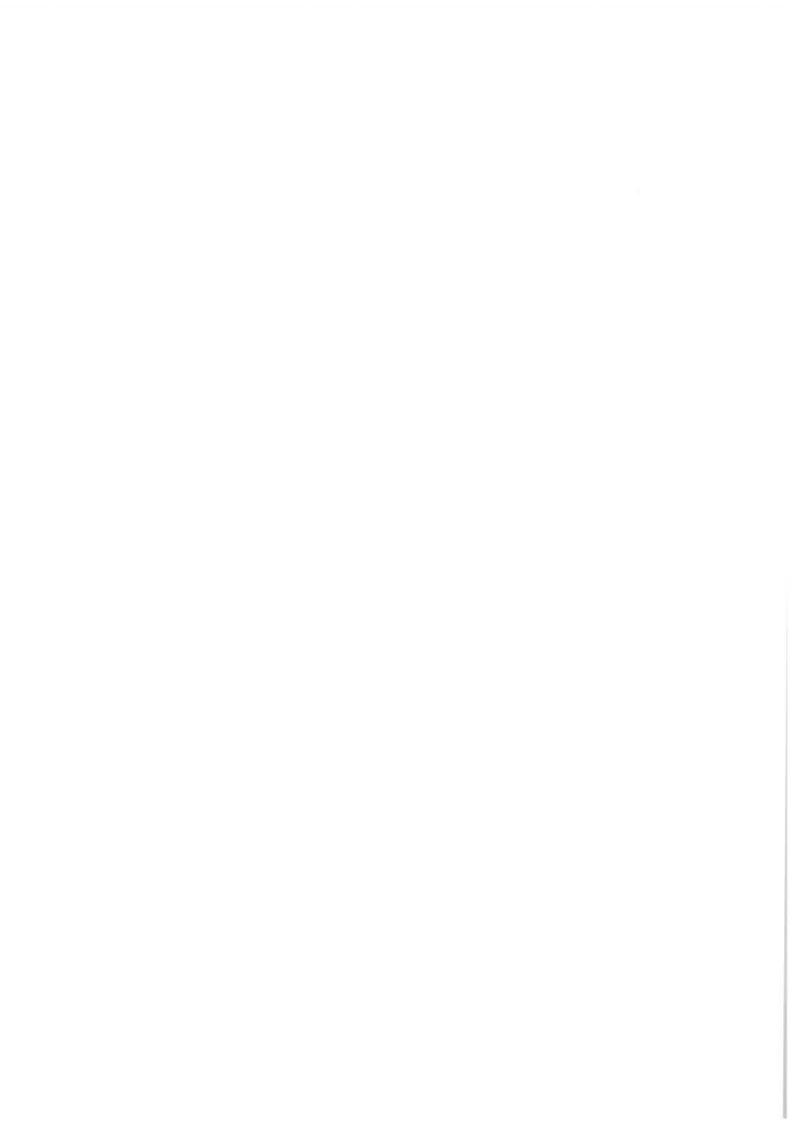
2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirement of the Fair Work (Registered Organisations) Act 2009 (the RO Act) the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of section 272 of that Act, which reads as follows:

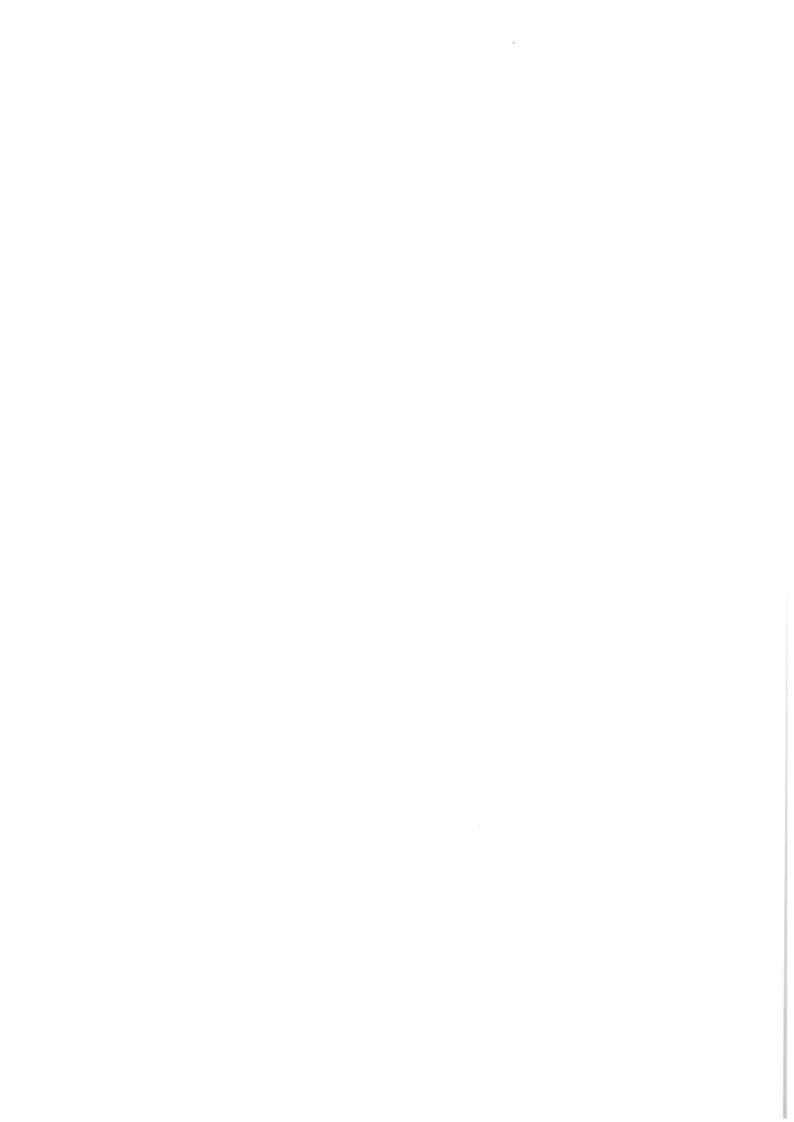
- (1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, 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).



		2017	2016
		\$	\$
3.	REVENUE		
			110 125
	Apprentice Hire	657,598	410,135
	Associate Specialist Contractor	89,720	97,511
	Associate Supplier Exchange	17,670	14,669
	Commissions	18,183	14,437
	Documents	15,610	11,819
	Excellence Awards Entries	23,400	29,409
	Fee for Service	7,134	11,032
	Finance Income	27,019	5,000
	Insurance Sales & Commission	168,552	193,159
	Interest Income	7,679	10,408
	John Holland Fairbrother Joint Venture Income	66,639	81,421
	Profit on Sale of Fixed Assets	Ξ.	909
	Subscriptions	418,003	361,790
	Training	446,699	491,501
	Property Income	299,817	436,989
	Pathways Program Income	60,028	59,402
	Housing Awards/Annual Dinner Income	144,576	77,898
	Sensis Advertising Income	(875)	35,601
	Marketing Income	7,038	9,938
	Other Functions	9,720	5,368
	Building Journal	22,009	26,830
	Sundry Revenue	16,853	12,152
	Total Revenue	2,523,072	2,397,378
4.	EXPENSES		
	Depreciation of Non-Current Assets		
	Plant and Equipment	14,010	16,982
	Lift	6,339	=
	Buildings	24,302	24,302
	Motor Vehicles	24,806	19,746
	Total Depreciation of Non-Current Assets	69,457	61,030
	Employee Expenses		
	Holders of Office		
	Wages and Salaries	_	_
		27-	2
	Superannuation	-	-
	Leave and Other Entitlements	: -	_
	Separation and Redundancies	, 15 10	-
	Other Employee Expenses		
	Subtotal employee expenses holders of office	· ·	=



		2017	2016
		\$	\$
4.	EXPENSES – CONTINUED		
	Employers other than office holders		
	Wages and Salaries	687,330	645,737
	Superannuation	69,347	65,290
	Leave and Other Entitlements	124,058	113,045
	Separation and Redundancies	-	-
	Other Employee Expenses		
	Subtotal employee expenses other than office	880,735	824,072
	holders		
	Total Employee Expenses	880,735	824,072
	OTHER EXPENSES		
	Other Expenses		
	Accounting & Audit	6,724	7,864
	Advertising	4,810	2,974
	Apprentice Expenses	519,242	341,642
	Regional Annual Dinner Expenses	10,913	13,702
	Bad Debts	7,095	4,479
	Bank Charges	2,593	1,882
	Building Journal Expenses	11,594	18,084
	Catering & Meeting Costs	39,184	27,969
	Commissions	8,976	7,555
	Consideration to Employers for Payroll Deductions	-	-
	Consultancies	8,467	11,921
	Cost of Goods Sold	3,448	824
	Documents	12,066	11,479
	Excellence Awards Expenditure	19,604	
	Federal Subscriptions	94,140	92,933
	Fees/Allowances -Meeting and Conferences	35,342	35,546
	Fee for Service	-	3,510
	Insurance Recovery	-	(12,261)
	Housing Awards/Annual Dinner Expense	94,407	93,266
	Insurances	35,071	31,119
	John Holland Fairbrother Joint Venture Expenses	36,529	37,162
	Legal Expenses	14,096	772
	Light & Power	39,320	51,775
	Loss On Sale of Fixed Asset	2 411	592
	Meeting Expenses	2,411	2.000
	Office Rental	3,000	3,000
	Pathways Program Expenditure	35,780	27,737

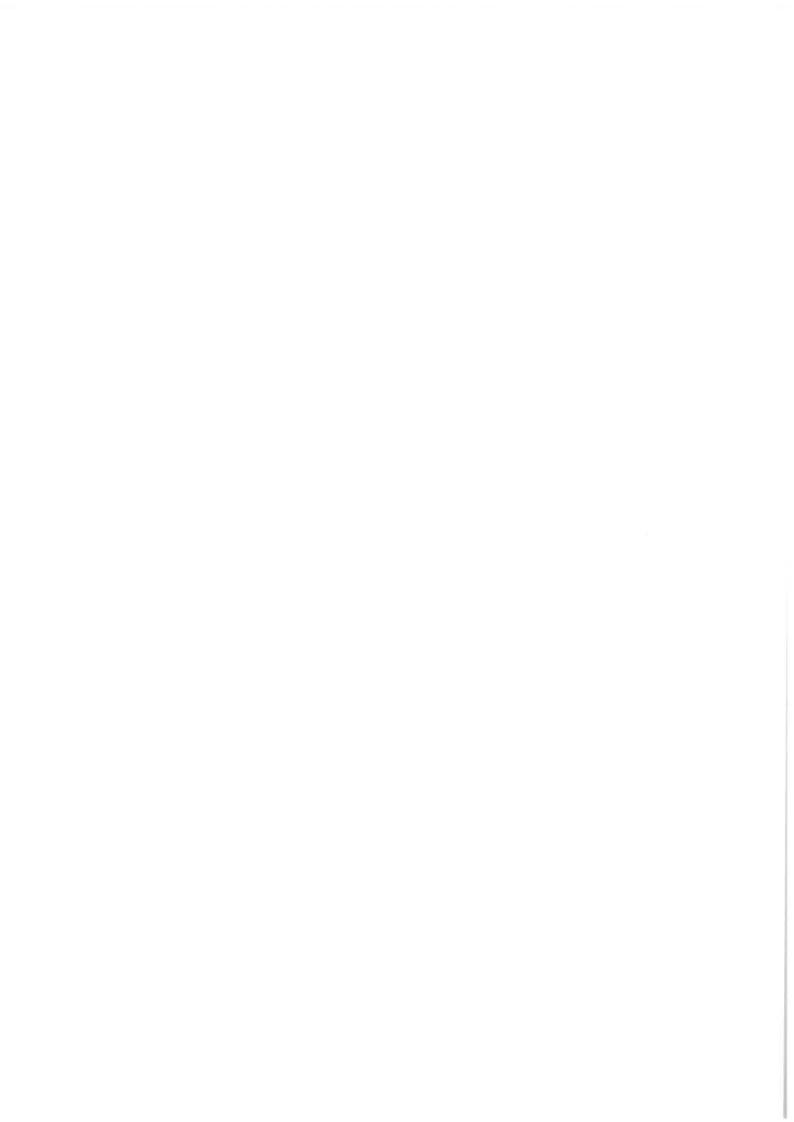


4. OTHER EXPENSES CONTI	NTUED	2017	2016
		\$	\$
Postage and Stamps		3,308	4,132
Printing and Photocopying		12,515	9,716
Property Expenses - Rates		81,039	77,377
Property/Office Equipment	Maintenance	57,388	35,948
Sensis Expenses		9,997	26,896
Telephone		34,264	38,801
Training		351,848	355,571
Vehicle Running		26,302	25,705
Sundry Expenses		77,760	64,553
Total Other Expenses		1,699,233	1,454,225
Grants or Donations			
Grants			
Total Paid that were \$1000	or Less	-	18
Total Paid that Exceeded \$	1,000	~	-
Donations			
Total Paid that were \$1,000		-	-
Total Paid that Exceeded \$			N=
Subtotal Grants or Donat	ions		-
5. CASH & CASH EQUIVALEN	ITS		
Cash on Hand		1,500	1,500
Commonwealth Trading B	ank	170,001	223,264
Cash Investment		108,680	271,072
Commonwealth At Call		1	20,225
Group Training Account		68,725	92,980
MBA Finance		25,001	25,001
Total Cash & Cash Equiva	lents	373,908	634,042
6. TRADE RECEIVABLES			
Trade Receivables	(a)	219,093	176,741
Provision for Doubtful Deb		(12,579)	(6,034)
Total Trade Receivables		206,514	170,707

(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.



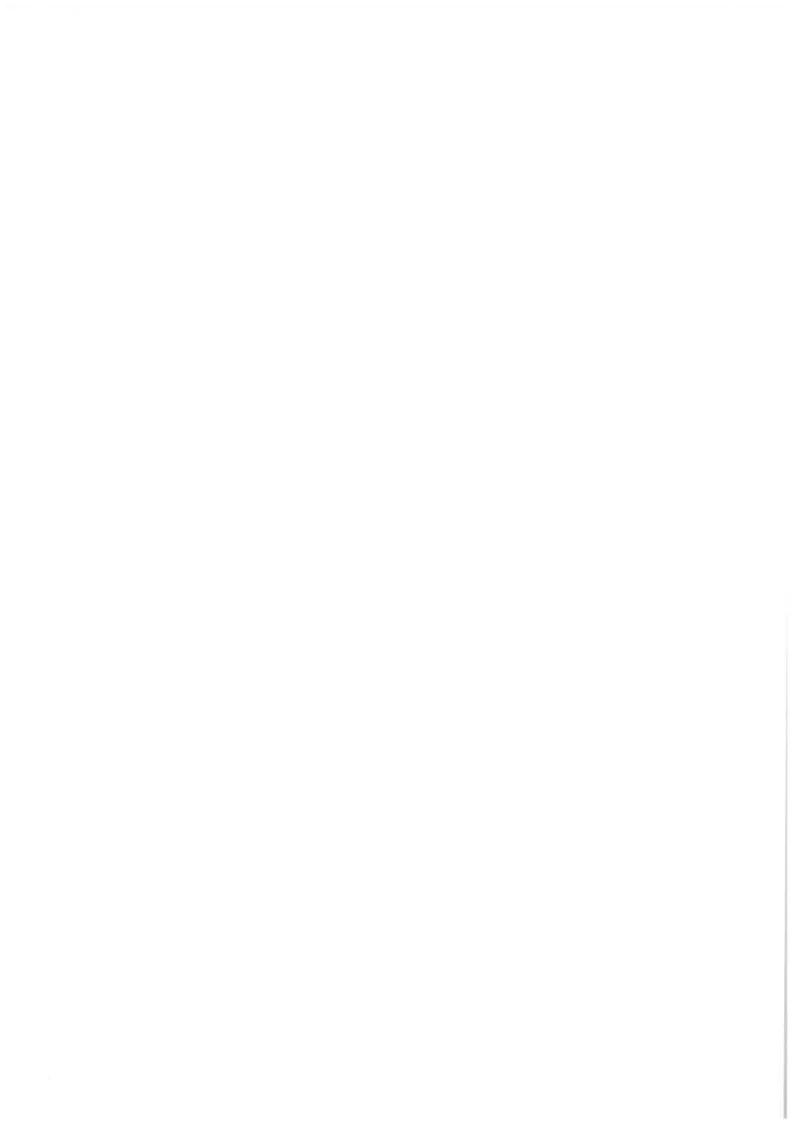
	2017	2016
	\$	\$
7. PROPERTY, PLANT & EQUIPMENT		
Land & Buildings Less: Accumulated Depreciation – Buildings	1,550,272 (209,208)	1,550,272 (184,906)
,	1,341,064	1,365,366
Plant & Equipment Less: Accumulated Depreciation	523,914 (477,324)	513,809 (463,313)
	46,590	50,496
Lift Less: Accumulated Depreciation – Lift	209,186 (6,339)	-
,	202,847	<u>=</u> 1
Motor Vehicles	178,168	178,168
Less: Accumulated Depreciation	(98,665)	(73,859)
	79,503	104,309
Work in Progress	54,159	æ:
Total Property, Plant & Equipment	1,724,163	1,520,171



PROPERTY, PLANT & EQUIPMENT CONTINUED

7 (a) Reconciliations

Land & Buildings		
Opening Written Down Value	1,365,366	1,389,668
Less Depreciation	(24,302)	(24,302)
Closing Written Down Value	1,341,064	1,365,366
Plant & Equipment		
Opening Written Down Value	50,496	52,744
Add Purchases	10,104	15,082
Less Disposals	-	(348)
Less Depreciation	(14,010)	(16,982)
Closing Written Down Value	46,590	50,496
Motor Vehicles Opening Written Down Value Add Purchases Less Disposals Less Depreciation Closing Balance	104,309 - - (24,806) 79,503	88,442 44,887 (9,274) (19,746) 104,309
Lift Opening Written Down Value Add Purchases Less Depreciation Closing Balance	- 209,186 (6,339) 202,847	- -



		Carrying Amount	Fair Value	Carrying Amount	Fair Value
		2017	2017	2016	2016
		\$	\$	\$	\$
8.	FAIR VALUE MEASUREMENT				
a) Fin	ancial Assets and Liabilities				
	Financial Assets				
	116 Bathurst Street, Hobart	2,091,960	2,091,960	2,091,960	2,091,960
	(i)				
	55 Canning Street, Launceston (ii)	1,050,000	1,050,000	1,050,000	1,050,000
	Total	3,141,960	3,141,960	3,141,960	3,141,960
	(iii) Dagarailintian	2017	2016		
	(iii) Reconciliation	_			
	Investment Properties	\$	\$		
	Opening Fair Value	3,141,960	3,141,960		
	Closing Fair Value	3,141,960	3,141,960		
	_		<u> </u>		

(i) 116 Bathurst Street Hobart

During the 2010 financial year The Master Builders' Association of Tasmania Inc. purchased an investment property at 116 Bathurst Street, Hobart. It has been recorded in the accounts under the cost model of AASB140 as per policy in note 1(g).

A valuation was performed at 30 June 2010 by Brothers & Newton – Opteon property valuers, and two valuations were advised based on occupancy levels. When fully occupied the fair value of the 116 Bathurst St property is \$2,700,000.

During the 2012 financial year The Master Builders' Association of Tasmania Inc. moved offices and now occupies level 5 of 116 Bathurst Street. Adjustment was therefore required to the classification of the property to ensure only the unoccupied portion is recognised as an investment property. The value of the property has been allocated accordingly based on the government valuation obtained on 12 December 2011.

	Þ	
Total value of 116 Bathurst Street:	2,700,000	
Occupied Building Value:	427,880	(Depreciable)
Occupied Land Value:	180,160	(Not depreciable)
Investment Property Value:	2,091,960	(Not depreciable)



(ii) 55 Canning Street Launceston

During the 2011 financial year the recognition of the 55 Canning Street property changed to an investment property. It has been recorded in the accounts under the fair value model of AASB140. The most recent valuation was a government valuation performed on 29 September 2010. The fair value at that date was determined to be \$1,050,000 and this is the value recorded on the statement of financial position.

b) Fair Value Hierarchy

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

Fair value hierarchy - 30 June 2017

	Date of Valuation	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets measured at fair value		-		-	
116 Bathurst Street, Hobart	12/12/2011	-	2,091,960	-	2,091,960
55 Canning Street, Launceston	29/09/2010	ë	1,050,000	9	1,050,000
Total		-	3,141,960	-	3,141,960

Fair value hierarchy - 30 June 2016

	Date of Valuation	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets measured at		-		-	
fair value					
116 Bathurst Street,	12/12/2011	(4)	2,091,960	343	2,091,960
Hobart					
55 Canning Street,	29/09/2010	~	1,050,000	-	1,050,000
Launceston					
Total		-	3,141,960	-	3,141,960

9. TRADE PAYABLES & OTHER LIABILITIES	2017 \$	2016 \$
(a) Trade Payables		
Trade Payables	131,396	102,933
GST Liability	54,131	47,950
Legal Costs		
Ligation	-	-
Other Legal Matters	#0	(#1)
Consideration to Employers for Payroll Deductions	5 7/	-
Total Trade Payables	185,527	150,883
(b) Other Liabilities		
Sundries	10,018	21,426
Total Other Liabilities	10,018	21,426

(c) 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.

10. EMPLOYEE ENTITLEMENTS

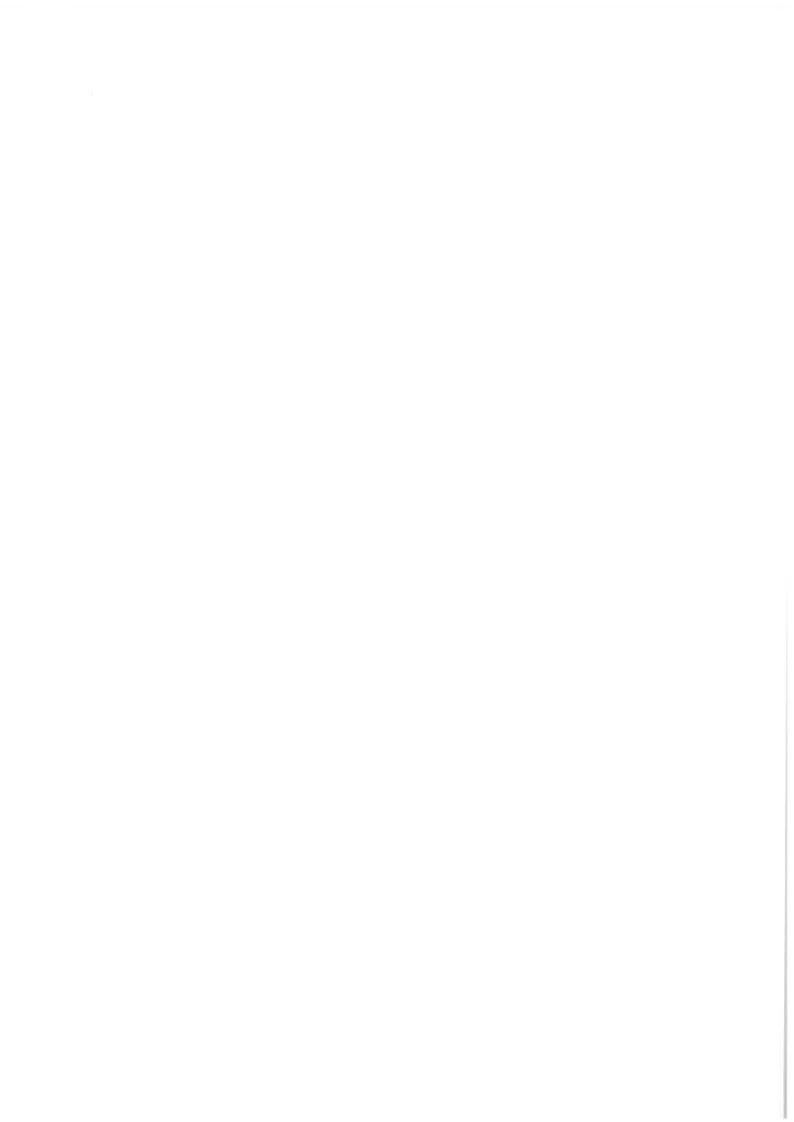
The aggregate employee entitlement liability is comprised of:			
Provision for Annual Leave	69,994	60,331	
Provision for Long Service Leave	57,144	50,911	
Total Employee Entitlements	127,138	111,242	

There are no other provisions relating to redundancies or other liabilities for employees of the Association.

11. ACCUMULATED FUNDS & RESERVES

(a) Accumulated Funds		
Balance at Beginning of year	4,619,240	4,561,189
Add Profit for the year	(126,353)	58,051
Balance at End of Year	4,492,887	4,619,240
(b) Reserves		
Balance at Beginning of year	708,083	708,083
Add Revaluation for the year	1725	18
Balance at End of Year	708,083	708,083
Total Accumulated Funds & Reserves	5,200,970	5,327,323

		2017 \$	2016 \$		
12.	AUDITORS REMUNERATION	Ť	7.		
	Amounts received or due and receivable by WLF Accounting & Advisory for:				
	- an audit or review of the financial report of the Association	6,000	5,800		
		6,000	5,800		
13.	NOTES TO THE STATEMENT OF CASH FLOWS				
	(a) Reconciliation of Cash				
	Cash on Hand	1,500	1,500		
	Cash at Bank	170,001	223,264		
	Cash Investment Account	108,680	271,072		
	Commonwealth At Call	1	20,225		
	Group Trading Account	68,725	92,980		
	MBA Finance	25,001	25,001		
		373,908	634,042		
	(b) Reconciliation of Net Cash provided by (used Operating Activities to Net Profit:	l in)			
	Net Profit/(Loss)	(126,353)	58,051		
	Depreciation and Amortisation	69,458	61,030		
	Increase/(Decrease) in Employee Entitlements	15,896	19,887		
	Increase/(Decrease) in Trade Payables & Other Liabilities	23,236	81,004		
	Increase/(Decrease) in Income in Advance	55,002	(75,537)		
	(Increase)/Decrease in Prepayments	8,435	(362)		
	(Increase)/Decrease in Inventories	3,449	824		
	(Increase)/Decrease in Trade & Other Receivables	(35,807)	(24,883)		
	Net Cash provided by (used in) Operating Activities	13,316	120,014		



14. RELATED PARTY DISCLOSURES

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

President	Mr L Fenton	Councillor	Mr A Kilpatrick
Vice President	Mr D Gates	Councillor	Mr J Faulkner
Treasurer	Mr D Moody	Councillor	Mr D Reid
Immediate Past President	Mr C Edmunds	Councillor	Mr R Betts
Councillor	Mr W Licht	Councillor	Mrs V Mead
Councillor	Mr G Barnes	Councillor	Mr B Verhulst
Councillor	Mr T Streefland	Councillor	Mr D Brown
Councillor	Mr R Oakes	Councillor	Mr S Davidson

Details of loans to officers is Nil.

There were no transactions between the office holders 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.

None of the office holders are employees of The Master Builders' Association of Tasmania Inc. and therefore they do not receive any remuneration or employee entitlements.

15. KEY MANAGEMENT PERSONNEL REMUNERATION

	Short-term employee benefits	Post- employment benefits	Long term benefits	Other		Total
2017 Total income paid or payable to all Key Management personnel	137,525	13,065	18,227		-	168,817
2016 Total income paid or payable to all Key Management personnel	157,798	14,991	15,696		*	188,485

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

There were no significant changes in the financial affairs of the Association.

18. SIGNIFICANT EVENTS AFTER BALANCE DATE

There were no significant events after balance date.

19. INVESTMENT IN MASTER BUILDERS' AUSTRALIA INSURANCE SERVICES

The Master Builders' Association of Tasmania has shareholders' investment in Master Builders Australia Insurance Services Pty Ltd (MBAIS). The association's investment is measured at cost; as at 30 June 2017 there are no indicators of impairment.

20. REGISTERED OFFICE

116 Bathurst Street Hobart Tasmania 7000

21. SEGMENT REPORTING

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

22. FINANCIAL INSTRUMENTS

(a) Credit risk

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

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

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

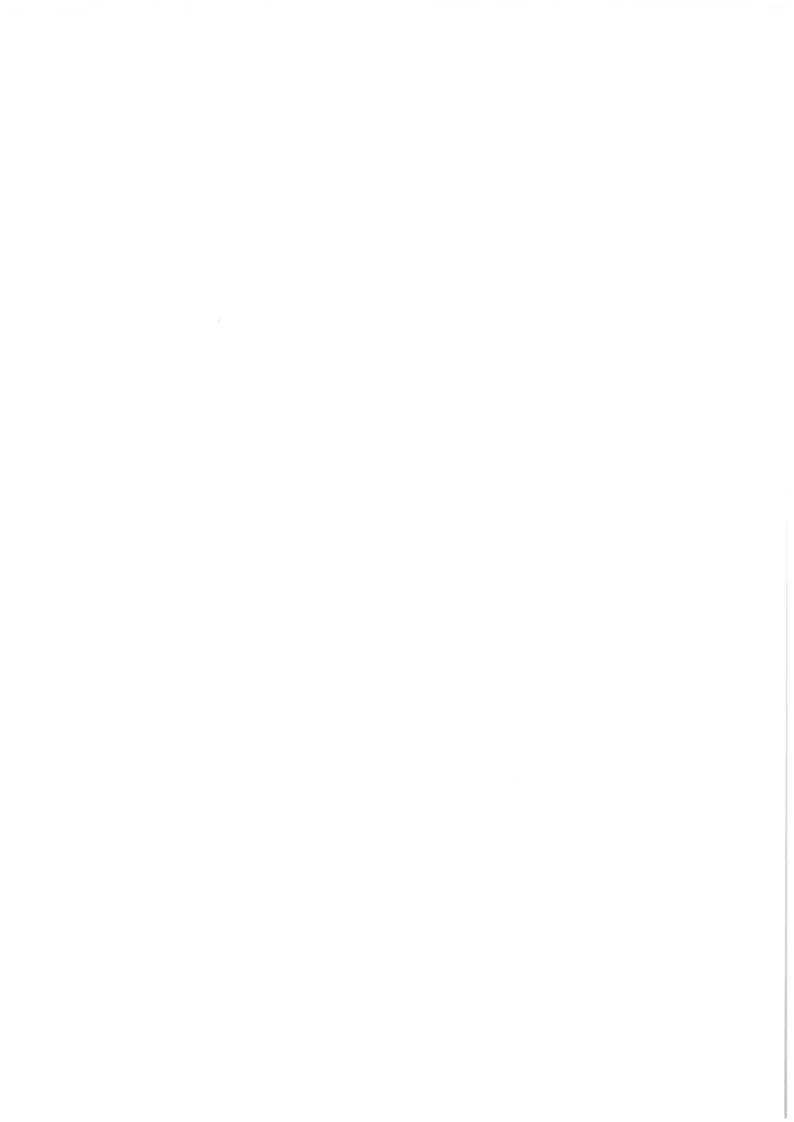
(b) Liquidity and cash flow risk

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

(c) Interest Rate Risk

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

An increase / (decrease) in interest rate of 1% will have a corresponding effect on revenue of \$3,739 (2016: \$6,340).



(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.

23. CAPITATION FEES

There was no capitation paid or received during the year.

24. LEVIES

There was no compulsory or voluntary levies paid or received during the year.

25. GRANTS

There were no grants paid or received during the year.

26. LEGAL FEES

Legal costs that were paid throughout the financial year related to the domestic builder contract being rewritten due to new legislation.

MASTER BUILDERS TASMANIA Office Locations

With three offices throughout Tasmania Master Builders Tasmania continues to retain its regional footprint – providing an unmatched service to its members

Head Office - Hobart

Level 5

116 Bathurst Street

HOBART TAS 7000

North - Launceston

30 Gleadow Street

INVERMAY TAS 7248

North West - Devenport

41 Steele Street

DEVONPORT TAS 7310

