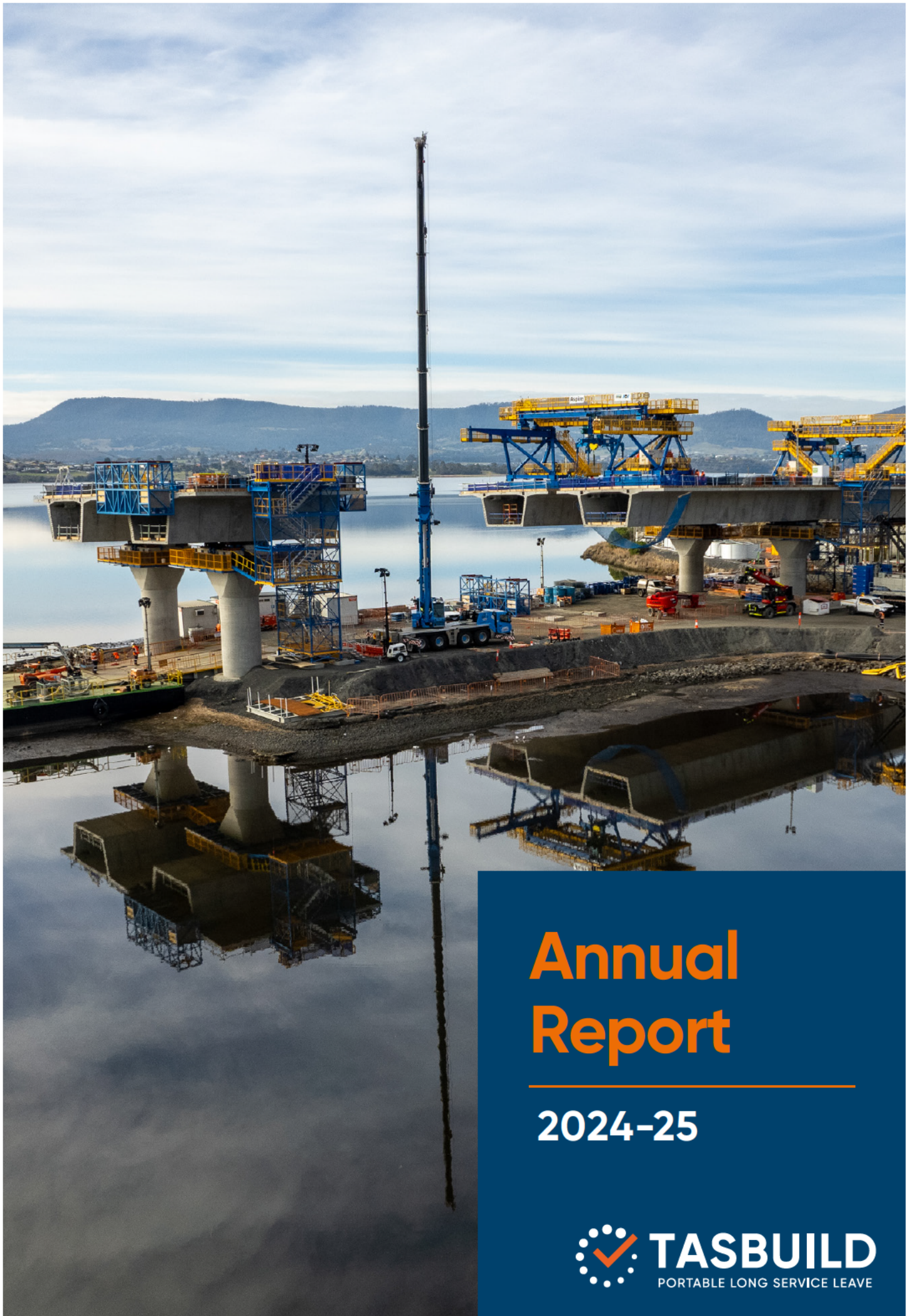




Annual Report

2024-25

Contents

Chair's Report	1
Chief Executive Officer's Report	2
Chief Financial Officer's Report	13
The Board	26
Directors' Report	30
Primary Statements	
Statement of Comprehensive Income	33
Statement of Financial Position	34
Statement of Changes in Equity	35
Statement of Cashflow	36
Notes to the Financial Statements	37
Directors' Declaration	59
Auditor's Reports	
Auditor's Independence' Declaration	60
Independent Auditor's Report	61

Cover photo: Department of State Growth

Chair's Report

I am pleased to present the Chair's Annual Report for TasBuild Limited for the financial year ending 30 June 2025.

This year has again been one of progress and steady growth for TasBuild. The Board has remained focused on strengthening our governance, enhancing transparency, and delivering improved outcomes for workers and employers across the construction industry.

We have continued to build on the cultural and performance initiatives introduced in recent years, with encouraging feedback from our stakeholders. This commitment to continuous improvement ensures that TasBuild is not only meeting its obligations but also positioning itself as the trusted, reliable service provider of choice for portable long service leave.

Our ongoing discussions around the adequacy and fairness of our Rules remain a key focus. The Board continues to engage closely with government, legal advisers, and industry representatives to ensure TasBuild operates within a modern and sustainable framework that reflects best practice governance.

The financial health of the organisation remains strong. With prudent oversight from the Board and the Investment Committee, and valuable guidance from our advisers, TasBuild's investments continue to deliver sound returns in a complex global environment. This underpins our ability to meet the needs of contributors and beneficiaries while maintaining long-term sustainability.

I would also like to acknowledge the continued work on planning for TasBuild's permanent home, which will provide stability and visibility for the organisation well into the future. This initiative represents an important step in strengthening both our operational base and our presence within the industry.

As always, the achievements of the past year would not have been possible without the tireless efforts of our CEO, Mark Williams, CFO, Zac Shutt and the entire TasBuild team. Their commitment, insight, and professionalism ensure that the Board's decisions are well-informed and that TasBuild continues to evolve in line with the expectations of our stakeholders.

To my fellow Directors, thank you for your dedication, wise counsel, and robust contributions throughout the year. Together, we have ensured that TasBuild remains a strong, fair, and forward-looking organisation.

I look forward with confidence to the year ahead, knowing that TasBuild is well-placed to continue supporting the workers and employers who depend on us.

Susan Parr
Independent Chair

Chief Executive Officer's Report

Welcome to the TasBuild Annual Report for the year ended 30 June 2025. TasBuild has had a big twelve months building on the Fund's compliance activities and general awareness within the construction industry.

Financial markets have assisted us to ensure that the Fund has grown to around \$240 million. This financial strength enables TasBuild to ensure that funds are available to meet worker entitlements, while providing us with the opportunity to invest back into the industry through projects that create employment within the industry we serve.

As with every year, 2024/2025 has seen challenges that have had an impact on business operations and investments and these challenges are continually demanding executive and Board attention to monitor, manage and reposition them.

The matters of interest currently are as follows:

- While ongoing disputes continue, compliance costs have reduced year-on-year, reflecting improved processes and engagement;
- Continued impacts of the rising cost of living and the costs of materials and labour which has led to a number of projects around the State not proceeding past the point of planning approvals;
- The completion of the new Bridgewater Bridge;
- Tight labour market and increasing labour costs;
- The continued presence of 'sham contracting';

- Political instability;
- Easing monetary policy providing some relief to mortgage holders suffering financial stress; and
- The above issues impacting on worker productivity.

TasBuild have been involved in various discussions regarding the potential expansion of portable long service leave into other industries, such as cleaning, community services, hairdressing and security. This would bring Tasmania in line with most other States that have already gone down this path. For Tasmania it becomes a retention and attraction issue for labour in those industries if we don't offer the same level of service.

Currently for construction industry workers, they can work all around the country and retain their service in each State and Territory through a National Reciprocal Agreement. It is envisaged that the Agreement would be extended to all industries.

The progress toward expansion has been stymied somewhat by the recent political environment but it is hoped that through the co-operation of unions, the opposition and the crossbench that we begin to engage with the Government either late in 2025 or early 2026.

During the 2024/2025 period, there were no changes to the composition of the

TasBuild Board, however since 30 June 2025, we received the resignation of Mr David Clerk the outgoing CEO of Master Builders Tasmania. He was replaced on the Board at the Board meeting held on 28th August 2025 by Mr Will Davies who is a Master Builders Tasmania Board member and owner/General Manager of Cunic Homes Pty Ltd. We would like to wish David all the best in his new role and welcome Will to the Board. We all look forward to working with you.

We have strengthened our team through the recruitment of a Chief Financial Officer (CFO) to ensure that we have the internal capability and leadership in place as TasBuild embarks on a growth phase and refreshed strategic direction. In January 2025 we welcomed Zachary Shutt into the role. Zac has been a welcome addition to the TasBuild team and further improves an already strong internal team with a wealth of experience.

Investment Advisor change

During the year the TasBuild Board determined that it was prudent for the Fund to review its investment advisory relationship through undertaking a full tender process. The market had not been fully tested since 2011, with high level reviews conducted by external consultants in 2011, 2015 and 2019 resulting in Mercer being retained in that role.

A number of investment advisory firms were invited to respond to the tender with 7 proposals being received. Following an in depth review of each, 3 advisers were invited to present to the TasBuild Investment Committee. The main criteria assessed were as follows:

Breadth and depth of services provided;

- Current and likely ongoing capacity to provide services required;
- Ability to provide bespoke advice on construction industry matters;
- Track record in provision of services required;
- Commitment to Tasmania;
- Technical skills and experience of nominated client relationship manager and support staff;
- Judgement on value for money versus cost; and
- References from other organisations utilising the services of the proposers.

Following an assessment by the Investment Committee a recommendation was made to the TasBuild Board to approve the appointment of **JANA Investment Advisers** (JANA) for the next 5 years. This recommendation was approved unanimously.

The strength of JANA's compelling submission was highlighted by a strong understanding and commitment to supporting Tasmanian clients, which included the opening of an office in Hobart.

JANA demonstrated a deep familiarity with the defined benefit structure, funding dynamics, and TasBuild's governance model. They readily identified improvements and we expect that they will drive TasBuild to the next level in terms of overall governance and investment sophistication.

Corporate Governance

The Board Members and their meeting attendance for 2024/2025 is detailed below:

TITLE	NOMINATING ORGANISATION	MEETING AT-TENDANCE	
		Board Meeting	Investment Committee
Chair			
Susan Parr	TasBuild Board	6 of 6	4 of 4
Directors			
Jacob Batt	AMWU	6 of 6	n/a
David Clerk	MBT (resigned 28 August 2025)	4 of 6	n/a
Kevin Harkins	CFMEU	5 of 6	n/a
Michael Anderson	CEPU	5 of 6	3 of 4
Michael Shepperd	BISCO	6 of 6	n/a
Michael Bailey OAM	TCCI	5 of 6	3 of 4

The Board met on six occasions in the year and participated in four continuous professional development sessions in compliance with the Board’s Training and Development Policy.

The Investment Committee consists of the Independent Chair, the CEO, the CFO, two Board Members and an Independent Member, Mr John Mazengarb. The Committee met on five occasions, charged with the responsibility of monitoring investments and reviewing performance, investment documentation and policies to ensure we keep abreast of best practice.

Board Members are appointed for a four-year term, with half the positions becoming vacant every two years. Board Investment Committee representatives are appointed for a one-year term. The Independent Chair and the CEO are ongoing representatives while the Independent Committee Member appointment is reviewed every second year.

Operational Overview

As can be seen from the below figures, total employer and employee numbers have fallen slightly over the past 12 months. This is reflective of the environment that was mentioned in last year's report where we indicated that the pipeline of projects was limited in the short term and economic outlook was starting to look challenging for the construction industry. The pipeline looking more promising for 2026/2027 in terms of large scale projects. A demonstration of the real benefit of a portable long service fund is the continued growth in entitlement payments. Last year there was growth of 8.9% and this year has seen further growth in entitlement payments of 4.6% to another record. Over the last 12 months this has placed over \$19.1 million (up by 8.1%) in entitlement payments in the hands of Tasmanian workers, which is a significant benefit for the individuals and has a flow on effect for the Tasmanian economy.

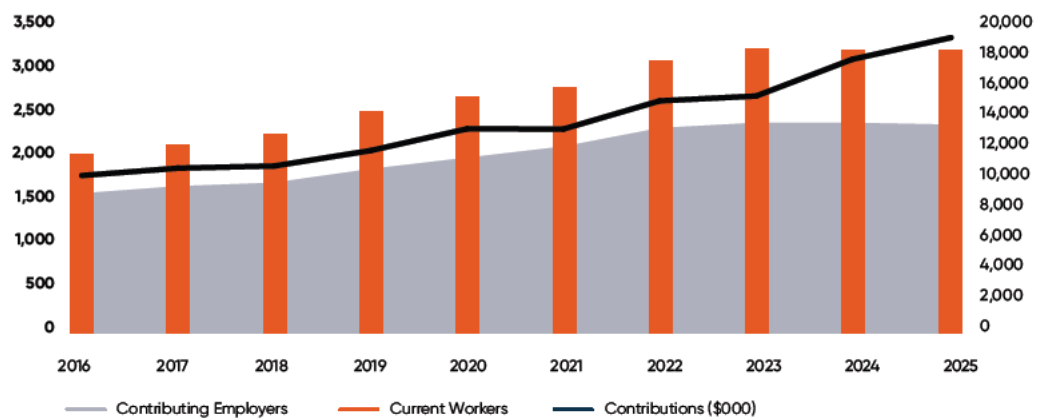
The following are the key statistical changes over the last 12 months:

Contributing Employers	↓ 0.9%
Current Workers	↓ 2.5%
Entitlements Paid	↑ 4.6%
Contributions	↑ 3.0%
Investments	↑ 11.0%
Cost of administration as % of assets	↑ 0.4%

Chief Executive Officer's Report continued

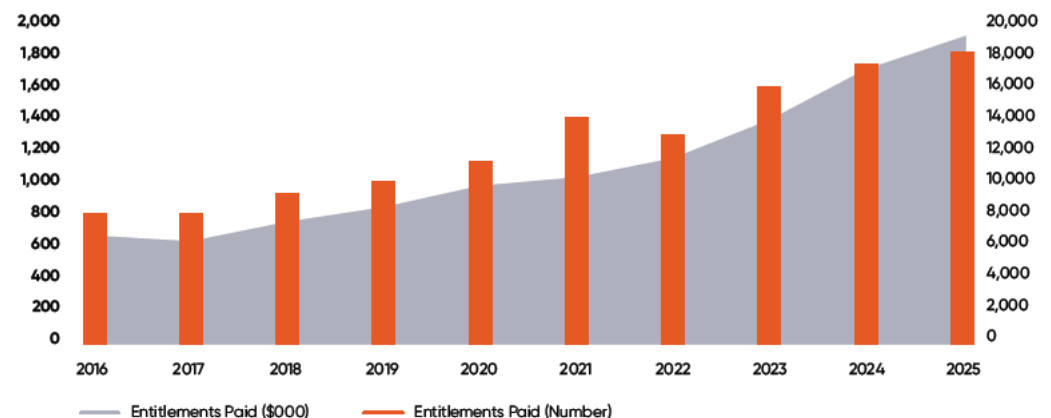
The trends to date over key areas are detailed below.

Contributing Employers and Current Workers



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Employers	1,620	1,703	1,744	1,903	2,033	2,163	2,377	2,437	2,437	2,416
Workers	11,934	12,602	13,330	14,774	15,773	16,375	18,103	18,975	18,921	18,452
Contributions(\$)	9,847	10,393	10,557	11,702	13,314	13,298	15,392	15,749	18,480	19,030

Entitlements Paid



Entitlements Paid	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Number	837	834	967	1,040	1,166	1,450	1,343	1,643	1,789	1,872
\$000	7,000	6,632	7,886	8,829	10,204	10,747	11,980	14,441	17,701	19,125

The strength of the industry over the past decade is clearly demonstrated by the growth over that period for contributing employers at 49.1%, current workers at 54.6% and employer contributions 93.2%. This continues to supplement the strength of the Fund and the ongoing financial stability allowing TasBuild to provide a valuable benefit to the workers and the construction industry in general.

It is very pleasing to see the level of entitlement payments, with workers receiving \$19.1 million over the past year. This is of a substantial benefit for the building and construction industry from both an employers and workers perspective.

Work continues to ensure all workers that have an entitlement are clearly advised about their eligibility and how to lodge a claim. We still have a relatively large number of workers that have an entitlement that is just sitting there waiting to be claimed. TasBuild has been reaching out to those employees to confirm their situation, including those who qualify for a 7 year pro rata. This work will continue along with other initiatives to increase awareness.

As always employer compliance remains an ongoing focus with our staff working hard to lift the profile of TasBuild, educating employers as to their responsibilities and to make it easier for them to voluntarily register, lodge returns and pay contributions. However, there are always some employers that fail in their obligations that requires TasBuild to attempt to work with those employers to rectify the situation.

In 2025 TasBuild commenced partnerships with Master Builders Tasmania and the Housing Industry Association to engage with the industry to ensure that employers are aware of their obligations and that workers understand their entitlements.

The TasBuild team is always working to improve the levels of compliance and use tools in an attempt to identify new entrants into the industry, and this is often assisted by current employers and workers.

Strategic Direction

The current Strategic Plan which was developed in 2023 and reviewed in May 2025, aligns the Board and staff on the purpose of the organisation and consider the strategic direction.

The following Strategic objectives were identified:

1. Delivering efficient and effective services for workers and employers in the construction industry;
2. Building organisational culture and capability;
3. Developing an investment strategy that further supports the industry;
4. Being the service provider of choice for Portable Long Service Leave in Tasmania; and
5. Becoming a true industry participant seeking to raise the profile of TasBuild.

Chief Executive Officer's Report continued

During the financial year, our focus on efficiency and effectiveness is reflected in the following key initiatives and achievements:

1. Delivering efficient and effective service for workers and employers in the construction industry

We are committed to delivering streamlined, accessible, and reliable services that meet the needs of both workers and employers in the construction industry.

Our focus on efficiency and effectiveness is reflected in the following key initiatives and achievements:

- Digital Service Delivery
 - Continued development of our online portal has enabled faster registration, contribution reporting, and account management for employers and workers.
 - We are working with Formation on self-service options to improved accessibility and reduced processing times (these may be helped with Rule changes).
- Customer Support and Education
 - We provide dedicated personal service via short answering times and email to assist workers and employers with inquiries and compliance.
 - Targeted educational campaigns help employers understand their obligations and workers understand their entitlements.

- Streamlined Compliance and Registration
 - Compliance checks have ensured increased compliance by employers.
 - Timely follow-up on non-compliance ensures the integrity of the scheme while promoting fair competition for employers.
- System Integration and Data Accuracy
 - Work has continued to improve the accuracy and validation of data, especially with regards to employer returns.
 - Checks in place during the entitlement process have helped assist in improvement to quality of data on the system.
- Timely Benefit Processing
 - As data improves processing time for long service leave claims has shortened, ensuring that eligible workers receive their entitlements without unnecessary delays.
 - Automation of standard claims is being pursued, and proactive follow-up on incomplete applications has contributed to faster turnaround times.
- Stakeholder Engagement and Feedback
 - We are looking to instigate regular consultation with industry stakeholders allows us to refine services based on feedback.
 - Feedback loops are used to improve processes and inform future service enhancements.
 - Seek to engage with the Government to support the Fund through improvements to legislation.

2. Building organisational culture and capability;

We recognise that a strong, values-driven organisational culture and capable workforce are essential to delivering high-quality, reliable services for the construction industry. Our strategic focus on building organisational culture and capability is underpinned by efforts to empower our people, strengthen leadership, and embed continuous improvement across the organisation.

Key initiatives and outcomes include:

- Strengthening Culture through Shared Values
 - We are looking to promote a culture grounded in integrity, accountability, respect and collaboration. This is a work in progress.
 - Our internal communications and performance frameworks reinforce these values at all levels of the organisation.
- Investing in Workforce Capability
 - Ongoing professional development opportunities, including training in compliance, digital tools, and customer service, ensure staff are equipped to meet evolving service demands. We will be looking to ramp up these opportunities in the next 12 months to upskill the team.
 - Capability frameworks guide recruitment, performance development, and succession planning.
 - We seek to build a safe, inclusive and resilient workforce that is adaptable to change.
- Leadership Development
 - We will support staff through targeted programs focused on adaptive leadership, change management, and strategic thinking.
- With some staffing changes there is an opportunity for greater collaboration and mentoring has been encouraged to strengthen leadership at all levels. This is an area that has been challenging as there has been a tendency to hold onto responsibilities tightly rather than share the load.
- Employee Engagement and Wellbeing
 - We are looking to commence regular engagement surveys to help us measure staff satisfaction and identify areas for improvement.
 - Wellbeing initiatives, flexible work arrangements, and supportive HR policies contribute to a positive and inclusive workplace. These have been welcomed by staff.
- Agility and Change Readiness
 - The organisation is pushing for agile work practices and cross-team function collaboration to remain responsive in a dynamic regulatory and technological environment.
- Diversity and Inclusion
 - We are committed to improving the diversity of the workforce over time.
 - Equal opportunity policies ensure a safe and respectful workplace for all employees.

The TasBuild team is in the process of change with a couple of retirements and staff departures allowing us to introduce new blood which has brought some additional skills to the organisation. This includes the recent appointment of a CFO that can assist in driving improvements to processes and strengthen the overall capability of the organisation.

Chief Executive Officer's Report continued

3. Developing an Investment Strategy that further supports the industry

As stewards of worker entitlements, we are committed to managing the scheme's funds prudently while exploring opportunities to align our investment approach with broader economic and industry benefits. Our investment strategy is designed not only to ensure the long-term financial sustainability of TasBuild, but also to contribute to the resilience and growth of the construction industry in Tasmania.

Key aspects of this approach include:

- Ensuring Fund Sustainability
- Our primary focus is maintaining a strong, risk-adjusted return on investments to meet current and future liabilities.
- We adhere to a diversified investment portfolio managed in line with sound financial governance and actuarial advice.
- Supporting Industry-Aligned Investment
 - Where appropriate and in line with our fiduciary responsibilities, we explore investments that deliver both financial returns and broader economic value—such as infrastructure, housing, and construction-linked projects.
 - This approach creates the potential for a positive feedback loop that supports job creation and industry capacity.
- Responsible and Ethical Investment
 - Our strategy incorporates Environmental, Social and Governance (ESG) principles, ensuring investments are consistent with our values and stakeholder expectations.

- We seek opportunities to support sustainable construction practices and projects that promote long-term social benefit.

- Transparency and Oversight

- Investment decisions are guided by a formal policy framework and overseen by our Board and Investment Committee.
- Regular reviews ensure performance is aligned with targets and responsive to market shifts or emerging risks.

- Engagement with Industry and Stakeholders

- We consult with relevant stakeholders to understand where investment can best complement industry development while remaining within our risk and return parameters.
- Partnerships with responsible fund managers help identify investment opportunities that align with both financial and social objectives.

We will continue to promote the objective of creating activity that supports the industry, either through direct support or through investment in projects that generate employment opportunities.

4. Being the service provider of Choice for Portable Long Service Leave in Tasmania

Discussions have continued with stakeholders regarding the possible expansion of portable long service leave into new industries.

Our objective is to be the trusted and preferred provider of Portable Long Service Leave (PLSL) in Tasmania – delivering high-quality, reliable, and accessible services to workers and employers across eligible industries.

Achieving this requires not only operational excellence but also building trust, maintaining compliance, and ensuring that every interaction adds value to our stakeholders.

Key areas of focus include:

- Customer-Centric Service Delivery
 - We seek to prioritise simplicity and clarity in our processes, ensuring workers and employers can access information, register, report, and claim entitlements with ease (this is an aspiration).
 - Online self-service options and responsive support to meet the diverse needs of users in both urban and regional Tasmania.
- Building Trust and Confidence
 - Transparent and real communication, fair treatment, and consistent application of the Rules should strengthen our reputation among stakeholders.
 - High levels of compliance and timely benefit payments reinforce confidence in the integrity and sustainability of the scheme.
- Local Engagement and Accessibility
 - We seek to maintain strong connections with local industry bodies, unions, and employer groups to ensure our services remain responsive and relevant.
 - Education sessions help us connect directly with the construction workforce and smaller businesses.
- Continuous Improvement and Innovation
 - We regularly review and refine our systems based on feedback and performance data, ensuring services evolve with industry expectations.
 - Investments in modern platforms and analytics help us better anticipate demand, manage risk, and improve user experiences.

5. Becoming a true industry participant

Our ambition is to move beyond being a service administrator to becoming a visible, engaged, and valued participant in Tasmania's construction industry. By actively contributing to industry dialogue and promoting awareness of Portable Long Service Leave (PLSL), we aim to raise the profile of the scheme, improve compliance, and enhance its value to both workers and employers.

Human Resources

The 2024/2025 financial year has been extremely busy for all staff with some staffing changes providing opportunities to upskill and future proof the TasBuild workplace.

The introduction of a new position of CFO has strengthened the capability of the organisation as well as bringing expertise to the finance function well ahead of any possible expansion of portable long service leave in Tasmania. In addition to this, as the Fund grows we anticipate that some complexity on the investment side may result in the operations requiring additional expertise.

Chief Executive Officer's Report continued

As a result of the restructuring there have been changes to job roles and structures and whilst the team have defined areas of responsibility they are also able to multitask and work across several areas of the business in order to assist operationally across the business. As at 30 June 2025 we had 10.4 FTE, which is consistent with prior years. This small and hard-working team at TasBuild are solely responsible for administering and managing the Fund on behalf of contributors and beneficiaries.

As at 30 June 2025 the following executive and field staff were employed by TasBuild.

Chief Executive Officer	Mark Williams
Chief Financial Officer	Zachary Shutt
Operations Manager	Kristy Alexander
Field Officer	Mark Corrigan
Field Officer	Janine Martin
Field & Compliance Officer	Warwick Dawson

Staff have continued to regularly communicate directly with employers and workers to keep them informed of legislative requirements, updates to Rules of the Fund, scheme obligations and general scheme matters with the intent of lifting the profile of TasBuild with all stakeholders in the Construction Industry.

TasBuild continues to look for ways to improve the general health and wellbeing of staff through programs, initiatives and employee support where necessary which also includes an annual health and wellbeing allowance. Our Employee Assistance Program Provider, Positive Solutions provide support to staff who may need it to ensure that TasBuild provides a safe workplace for staff to flourish.

Our continued thanks and appreciation must go to the staff for their dedication, hard work and achievements throughout the last financial year through some challenges as a result of staff changes and sick leave during a tough flu season. I would also like to acknowledge the commitment of all team members to the TasBuild mission, vision and values of Respect, Accountability, Collaboration and Integrity and their continued efforts contributing to the overall success of TasBuild and servicing the needs of our stakeholders.

Looking Ahead

TasBuild enters the new financial year in a position of strength. Our priorities for 2026 will include:

- Continuing to advocate for reform of our Rules and legislation.
- Progressing the development of a permanent home for TasBuild.
- Deepening engagement with contributors and beneficiaries to ensure our services reflect their needs.
- Maintaining strong financial performance through disciplined investment oversight.
- Building on our positive organisational culture to support staff and deliver excellent customer service.

I would also like to thank our Board of Directors led by our Independent Chair, Susan Parr for their guidance and leadership over the year. I look forward to working with them to continually improve the operations of TasBuild and build on the strong foundations already in place.

Mark Williams
Chief Executive Officer

Chief Financial Officer's Report

The 2024/2025 financial year has been a period of strong financial performance for TasBuild, underpinned by both robust investment returns and disciplined management. The Fund ended the year with total assets of \$241.9 million, representing growth of 9.7% from the prior year with an 11.0% investment return achieved, outperforming the strategic asset allocation (SAA) benchmark by 1.3%. This performance is reflective of a diversified and well-structured portfolio that balances growth and defensive assets, supported by active oversight from the Board and Investment Committee.

During the year, TasBuild’s actuarial assumptions were updated to reflect recent rule changes, minor adjustments to discount rates, and expense assumptions. As a result, the Fund’s liability coverage improved to 149%, comfortably exceeding the Board’s target of 120% and maintaining a strong buffer against market volatility. Contributions received during the year matched entitlements paid, demonstrating both the maturity and sustainability of the Fund. Entitlement payments increased by 22.6%, delivering \$19.1 million directly to Tasmanian construction workers, a significant benefit for individuals and the wider economy.

The consolidated surplus has enabled the Board to increase the allocation to Tasmanian construction projects through the Tasmanian Construction Fund, supporting employment and local industry development while continuing to generate sound financial returns.

Financial

The movement for the year in investment and liability related figures is detailed below:

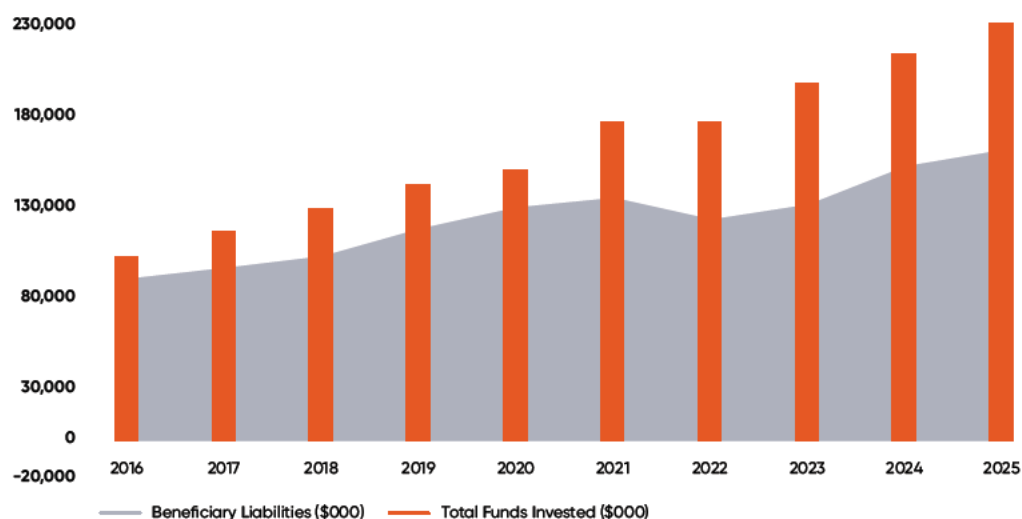
Investments	June 2020	June 2021	June 2022	June 2023	June 2024	June 2025
Total Assets (\$000)	154,785	184,889	183,091	203,295	220,350	241,913
Total Funds Invested (\$000)	146,022	177,685	178,165	199,470	215,615	233,112
Actuarial Liability (\$000)	128,439	134,874	122,446	130,048	151,076	160,076
Assets/Liabilities Coverage (%)	119.3%	137.0%	149.0%	155.9%	144.5%	149.8%

The Board takes a conservative view whereby the ‘Assets to Liabilities ratio’ must be at least 110% of the Worker Entitlement Liability as per the financial statement but preferably should be 120%. Achieving this level of liability coverage provides a buffer against unexpected market fluctuations and liability valuations. This in turn means that employer 28% discounted contribution rate can continue to be offered while an appropriate liability coverage is maintained, this provides much needed certainty for employers. TasBuild is proud to be the only portable long service leave fund to offer a discount for lodging and paying on time

The triennial Actuarial Review is being prepared as at 30 June 2025. This will determine how the fund is positioned in relation to meeting worker entitlement liabilities now and into the foreseeable future.

Chief Financial Officer's Report continued

Beneficiary Liability vs Funds Invested



Asset Liability Management

TasBuild retained the services of an implemented consultant to manage the portfolio in accordance with the Board's investment objectives during the 2024/25 financial year. Mercer was appointed in late 2011 and has provided quality outcomes during a long period of tenure. During the year the Board determined that it was prudent for the Fund to review its investment advisory relationship through undertaking a full tender process.

Following an assessment by the Investment Committee a recommendation was made to the TasBuild Board to approve the appointment of **JANA Investment Advisers (JANA)** for the next 5 years. The strength of JANA's compelling submission was highlighted by a strong understanding and commitment to supporting Tasmanian clients. This recommendation was approved unanimously, and the transfer will be completed during the 2025/26 financial year with a refreshed investment strategy.

TasBuild's investment objectives can best be achieved through a portfolio that is diversified in several ways:

- Growth assets (69%) versus defensive assets (31%);
- 13 different assets classes;
- Investing in multi-manager investment funds;
- Exposure to unlisted real assets; and
- Direct management of a discrete portfolio of investments by TasBuild through the Tasmanian Construction Fund.

TasBuild's financial position remains strong, with our investment strategy continuing to deliver resilience in a challenging global environment. The fund's investment portfolio is deliberately constructed in a manner that is cognisant of the liabilities of the scheme, which are influenced by both wage growth and the discount rate used to value those liabilities.

Growth assets such as equities and real assets provide long-term returns that outpace wage growth, thereby contributing to surplus asset growth and supporting the sustainability of the scheme. In parallel, defensive assets such as fixed interest instruments are correlated to movements in interest rates, which in turn affect discount rates and the valuation of liabilities. This balanced and diversified approach ensures that the portfolio is well aligned to the nature of TasBuild's obligations.

The Board, supported by the Investment Committee, exercises close oversight of these matters with the assistance of our investment consultants. Their tailored advice, risk analysis, and ongoing education for Directors ensure that TasBuild's portfolio remains robust, disciplined, and focused on long-term viability.

Investment Governance and Monitoring

Investment Governance is a critical aspect reviewed and monitored by both the Board and Investment Committee. A suite of documents dictates policy, strategy and beliefs and the guidance in these documents is proactively applied in the monitoring of investments and

liabilities. Strategic decisions, benchmarks and investment objectives are assessed monthly and reviewed at least annually, or if market volatility dictates, on a more frequent basis. The documentation including investment objectives is also scrutinised at least annually to determine whether they address current investment practice and/or market circumstances. The close interaction between the Board Members and Investment Consultant staff has ensured that the Fund's objectives are supported by the recommended investment strategy and fund solvency remains above the Board's benchmark.

The Investment Consultant also conducts Investment Education sessions on a quarterly basis for the TasBuild Board to assist in their professional development on investment matters to ensure the Board are kept abreast of the ongoing changes in the investment environment.

Investment Objectives

In consultation with the Board, the Investment Committee annually conducts a review of the Fund's investment objectives. The purpose of the review is to assess the appropriateness of the current portfolio by questioning whether the investment objectives and current strategic asset allocation remain appropriate and whether there any new investment ideas that could be considered in the context of TasBuild's business strategy, as well as current macroeconomic factors.

Chief Financial Officer's Report continued

The approved investment objectives are:

1. Average weekly ordinary time earnings (AWOTE) + 2% over rolling 5-year periods after investment fees;
2. Chance of negative return – 1 in 5 years;
3. To outperform the strategic asset allocation (SAA)-weighted benchmark return, comprised of relevant market indices, by 1% p.a. (before investment management fees) over rolling 12-month periods; and
4. Achieve and maintain an asset value that is not less than 110% of the financial statement value of liabilities.

No changes were made to the investment return and risk objectives during the period. It was determined that the portfolio remained well-diversified with adequate exposure to floating rate bonds to provide protection against rising rates, whilst still generating growth in the portfolio through exposure to listed equities. The unlisted real assets and private debt allocations then serve to reduce inflation risk.

The Board regularly reviews the performance of the investments against the stated investment objectives and industry benchmarks for each asset class.

The table below provides an overview of the investments' performance against each of the Board's objectives:

Objective	Result	Objective Met
AWOTE + 2% ¹ over rolling 5-year periods after investment fees	5-year Portfolio Return after Fees 9.0% 5-year AWOTE + 2% ¹ 5.5% Excess Return +3.5%	Yes
Chance of a negative return, 1 in 5 years	1 year Portfolio Return after Fees +9.0% Since the fund's investment with Mercer in 2013 the fund has experienced one negative year in 2022	Yes
Outperform SAA benchmark by 1% before fees over rolling 12 month periods	1 year Portfolio Return before Fees +9.9% SAA Weighted Benchmark +8.3% Excess Return +1.6%	Yes
Achieve and maintain an asset value of 110% of liabilities	Asset value – 149% of worker entitlement liability	Yes

¹ AWOTE + 1.5% prior to 1 April 2022

Portfolio Composition

The Investment Consultant makes recommendations as to the appropriate Strategic Asset Allocation (SAA) to achieve the Board's investment objectives. During the year the Board approved a revised SAA for the portfolio following the annual review performed by Mercer. The review included an assessment of the ongoing appropriateness of investment objectives and risk tolerance for the portfolio. Given the Fund's relatively strong solvency position changes were considered to the SAA and several alternatives were tested to illustrate the impact of increasing or decreasing investment risk and an expansion of the internal investment portfolio.

To improve the robustness of the portfolio and the probability of the fund meeting its objectives, a revised portfolio composition was approved and implemented effective 31 January 2025. The table below shows the Board-approved SAA for 2024/2025, compared the SAA for 2023/2024 and the values of each asset class as at 30 June 2025:

Mercer Multi-Manager Fund	Actual (\$)	Actual (%)	Previous SAA (%)	Lower Range (%)	Upper Range (%)
SHARES		42.0%	42.0%	42.0%	
Mercer Australian Shares Plus Fund	47,438,366	20.0%	21.0%	21.0%	5.0%
Mercer International Shares Fund	28,952,285	12.2%	12.0%	9.0%	0.0%
Mercer Hedged International Shares Fund	6,941,171	2.9%	3.0%	6.0%	0.0%
Mercer Global Small Companies Shares Fund	5,523,404	2.3%	2.0%	2.0%	0.0%
Mercer Emerging Markets Shares Fund	10,554,007	4.5%	4.0%	4.0%	0.0%
REAL ASSETS		24.9%	27.2%	27.1%	
Mercer Australian Direct Property Fund	30,342,642	12.8%	14.5%	14.5%	0.0%
Mercer Global Unlisted Infrastructure Fund	26,844,664	11.3%	12.0%	12.0%	0.0%
Internally managed property	1,925,238	0.8%	0.7%	0.6%	0.0%
FIXED INTEREST		28.6%	26.3%	28.1%	
Mercer Global Private Debt Fund	10,645,668	4.5%	5.0%	5.0%	0.0%
Mercer Global Credit Fund	6,810,072	2.9%	3.0%	3.0%	0.0%
Mercer Emerging Markets Debt Fund	9,694,855	4.1%	3.0%	2.0%	0.0%
Mercer Australian Sovereign Bond Fund	21,233,418	9.0%	8.0%	8.0%	0.0%
Mercer Australian Inflation Plus Fund	0	0.0%	0.0%	2.5%	0.0%
Internally managed fixed interest	19,318,316	8.2%	7.3%	7.6%	0.0%
CASH		4.5%	4.5%	2.8%	
Mercer Cash Fund Term Deposit Units	5,335,940	2.3%	2.5%	1.0%	0.0%
Internally managed cash	5,282,870	2.2%	2.0%	1.8%	0.0%

Chief Financial Officer's Report continued

Internally Managed Investments

The Board has determined that TasBuild should have a wider goal of contributing to growth of the Tasmanian building and construction industry. The goal is to facilitate construction projects which in turn generates additional employment opportunities, delivers benefits to the broader Tasmanian community, and has a positive economic impact for Tasmania. This goal has been pursued through the provision of construction finance for projects that can comply with a rigorous assessment, to ensure the project is financially viable and the developer can provide sufficient security.

Internally managed assets by TasBuild are detailed below:

Investment Options	Asset Allocation %	Valuation at 30 June 2025
Direct Property	7.3	\$1.93 M
Term Deposits & Cash at Bank	19.9	\$5.29 M
Tasmanian Construction Fund	72.8	\$19.32 M
TasBuild Total	100.0	\$26.54 M

TasBuild is working with the managers of the Tasmanian Construction Fund to continue to broaden the pool of developers and construction projects to be supported through the provision of construction finance. Should any employers be interested in having a discussion regarding financing for construction projects, please reach out to TasBuild for an initial confidential discussion.

Market Performance

Over the year to 30 June 2025, Australia’s macroeconomic environment saw further easing in inflation and continued weak-though positive growth, with monetary policy gradually loosening. Below are the key themes and metrics that shaped performance.

Key Economic Indicators

Measure	Value / Trend
Inflation(CPI, headline)	Rose 2.1% year-on-year in the June 2025 quarter, down from 2.4% in the March quarter. (Australian Bureau of Statistics)
Core inflation / CPI excluding volatile items	Market-sector goods and services excluding volatile items showed annual inflation around 2.4%. (Australian Bureau of Statistics)
GDP growth	Australia’s real GDP rose 0.6% in the June 2025 quarter, putting annual growth at about 1.8% compared to June 2024. (Australian Bureau of Statistics)
Interest rates / Monetary policy	The RBA had begun to cut the Official Cash Rate – by August 2025, the cash rate had been lowered to 3.60%.

Chief Financial Officer's Report continued

Dynamics & Drivers

- **Inflation easing:** The decline in headline inflation to ~2.1% and core inflation measures settling in the ~2.3-2.5% range reflect that price pressures have moderated across many sectors. Volatile items (fuel, food) remain uneven.
- **Growth modest but positive:** The 0.6% q/q GDP growth in Q2 2025 suggests the economy is chugging along, largely supported by domestic final demand (household consumption and government spending). But growth remains below long-term trend.
- **Labour market & demand:** While inflation has come off, labour market strength and household spending remain key anchors preventing faster declines in inflation or too rapid policy easing. Consumer spending has shown signs of resilience.
- **Interest rates easing but cautiously:** After a period of high rates to fight inflation, the RBA has begun loosening policy. However, rate cuts have been measured, reflecting concerns about demand, inflation persistence, and global risks.

Asset Class Performance & Risks

- Growth assets (equities, risk assets) have generally benefited from easing inflation expectations and falling interest rates, though risks remain from global headwinds, trade policy, and supply chain disruptions.
- Defensive assets (fixed income, credit) have seen modest returns, constrained by the uncertainty over how much lower interest rates will go and how fast inflation might rebound in volatile components.
- Real property has mixed outcomes: residential property and housing purchases have gained from rate cuts and demand, but sectors like commercial real estate (especially offices) remain under pressure from revaluations and structural changes in demand.

Outlook & Implications

- The moderation in inflation opens the door for further rate cuts. Markets and the RBA are watching upcoming inflation data closely to judge if cuts can proceed more aggressively.
- Growth is expected to remain below trend for the rest of 2025, with downside risks from global slowdown, trade tensions, and possibly weakening consumer sentiment if inflation in essentials (food, energy) or labour costs pick up.
- Policymakers face a balancing act: easing enough to support growth, while ensuring that inflation (especially core inflation) remains anchored, and avoiding undermining financial stability.

Portfolio Performance

The investment portfolio returned +11.0% for the year after fees, outperforming its SAA benchmark by +1.3%. The portfolio's longer term absolute and relative performance is strong, comfortably meeting its investment objectives over 5 and 10 years.

The Australian stock market experienced another positive year, marked by ongoing macro-economic themes and notable trends. This period saw a blend of economic resilience and market volatility, influenced by both domestic factors and global conditions. Continued conflict in the Ukraine and Middle-East has created ongoing uncertainty in the world alongside a humanitarian disaster. However, the actual impact on equity performance was negligible even while cease-fire proposals have been unsuccessful.

Global equity markets performed well, with inflation concerns easing over the year and with commencement of interest rate cuts in most regions. There are still some headwinds however with uncertainty around trade tariffs.

Overall, TasBuild continues to be in a strong financial position and has delivered solid financial results over the past 10 years. This position of strength has allowed the Board to increase the allocation to unlisted assets over time and allowing TasBuild to consider ways of continuing to invest in the Tasmanian construction industry to support employment and investment back into the State.

Chief Financial Officer's Report continued

The table below provides an overview of the investment performance against the agreed benchmarks for each asset class as at 30 June 2025:

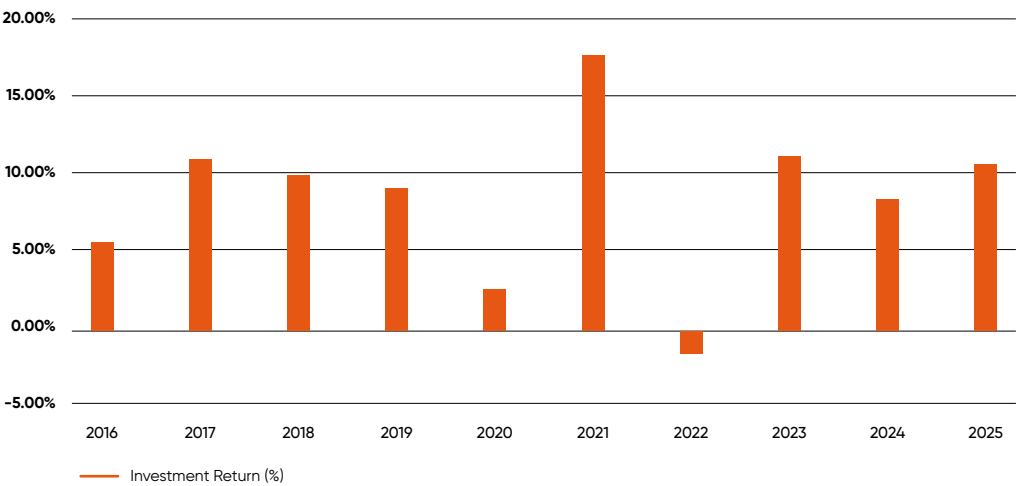
MERCER MULTI-MANAGER FUNDS	FINANCIAL YEAR (%)		
	Net Return	B'mark	Excess (+/-)
SHARES			
Australian Shares Plus	12.6	13.7	-1.1
International Shares	20.4	18.6	1.8
Hedged International Shares	15.3	13.5	1.8
Global Small Companies Shares	20.3	16.7	3.7
Emerging Markets Shares	19.7	18.9	0.8
REAL ASSETS			
Australian Direct Property	1.7	-2.7	4.5
Global Unlisted Infrastructure	10.4	10.2	0.2
FIXED INTEREST			
Global Private Debt	7.4	7.3	0.1
Global Credit Fund	6.4	6.5	-0.1
Emerging Markets Debt	14.8	16.5	-1.7
Australian Sovereign Bond	6.3	6.2	0.1
CASH			
Mercer Cash – Term Deposit Units	5.1	4.4	0.7
TOTAL FUND	11.0	9.7	1.3

THREE YEARS (%)			FIVE YEARS (%)			Ten YEARS (%)		
Net Return	B'mark	Excess (+/-)	Net Return	B'mark	Excess (+/-)	Net Return	B'mark	Excess (+/-)
13.0	13.3	-0.3	11.8	11.7	0.1	8.9	8.8	0.1
20.0	20.4	-0.4	15.4	15.8	-0.4	-	-	-
16.5	16.7	-0.2	13.3	13.6	-0.3	-	-	-
15.3	14.0	1.3	12.8	12.1	0.7	9.2	9.3	-0.1
11.6	11.5	0.1	7.6	7.9	-0.3	6.3	6.5	-0.2
1.4	3.7	-2.2	5.5	5.0	0.5	7.7	5.9	1.8
9.2	10.0	-0.8	11.3	9.2	2.0	11.8	7.4	4.3
-	-	-	-	-	-	-	-	-
3.2	3.2	0.0	-0.2	-0.3	0.1	2.3	2.4	-0.2
11.2	10.4	0.8	4.2	3.0	1.2	3.7	3.8	-0.1
3.3	3.3	0.1	-0.7	-0.7	0.0	2.2	2.1	0.1
4.2	3.9	0.3	2.6	2.3	0.3	2.3	2.0	0.3
9.9	10.1	-0.2	9.0	8.3	0.7	8.0	7.1	0.9

Chief Financial Officer's Report continued

Our historical investment performance is highlighted in the following graph:

Investment Performance



One year performance calculated net of investment manager fees as at 30 June each year

Information Technology & Cyber Security

Over the past year, TasBuild has continued to strengthen its IT environment, with cyber security remaining a key priority. Following the transition to Interact IT as our managed service provider, TasBuild has benefited from their strong local presence and proactive support, ensuring that our infrastructure and data remain secure and up to date with current technology standards.

During the year, TasBuild engaged external cyber security specialists to undertake penetration testing of our systems. This independent assessment provided assurance that our IT environment is robust, while also identifying opportunities for further improvement.

A Cyber Security Response Plan remains in place and has been reviewed to ensure it reflects best practice. This plan provides TasBuild with a structured and considered approach to managing any potential breach, ensuring that we are well positioned to respond effectively in the event of an incident.

Looking ahead, TasBuild's focus will shift strongly toward the major upgrade of the Worker Customer Relationship Management software (wCRM), scheduled for delivery within the next 12 months. wCRM is the Fund's core administration platform, purpose-built to manage portable long service schemes. The new version represents a significant step forward in functionality and capability, developed in close collaboration with the provider and interstate Funds.

This upgrade will provide TasBuild with new tools to improve efficiency, enhance data insights, and offer more streamlined and accessible services to both workers and employers. As these new capabilities are implemented, TasBuild will explore opportunities to further automate processes, improve online services, and strengthen engagement with our stakeholders.

By combining strong cyber security measures with the expanded functionality of the upgraded wCRM, TasBuild is positioning itself to deliver more secure, efficient, and user-focused services well into the future.

At the close of the year, the Fund maintains a strong financial position, with assets exceeding liabilities and a solid liquidity profile, providing flexibility to support both member entitlements and strategic initiatives. This robust foundation underpins the Fund's continued commitment to the industry, enabling targeted investments that support workforce stability and awareness of the portable LSL scheme, as highlighted by the CEO. Looking ahead, I believe the Fund is well-positioned to navigate emerging industry challenges and potential expansion while sustaining growth and delivering value to members.

Zachary Shutt
Chief Financial Officer

The Board

The Construction Industry Long Service Board is established under the provisions of the Trust Deed. The Board consists of seven members.

Three members are appointed to represent employers. They are nominated by the Master Builders Association of Tasmania, the Tasmanian Chamber of Commerce and Industry and the Building Industry Specialist Contractors Association.

Three members are appointed to represent employees; they are nominated by the Construction, Forestry, Mining and Energy Union, the Australian Manufacturing Workers Union and the Communications, Electrical and Plumbing Union.

The Board of Directors meets on a bi-monthly basis with other meetings scheduled on a need's basis. In 2024/2025 the Board met on 6 occasions.

Other "Special" meetings are held to consider specific matters that require attention between scheduled meetings.

An Independent Chair is nominated by the Board of Directors.

The membership of the Board as at 30 June 2025:

Directors of TasBuild Limited

Ms Susan Parr

Independent Chair

Susan is a Director of Spirit Super and was previously a Director of Tasplan from 2015 until the fund merged to become Spirit Super. Susan was also the CEO of St Ann's Homes from 1997 to 2016. She's a graduate of the Harvard Business School Program on Negotiation. Susan has over 30 years' experience in leadership positions on a range of boards including Aged and Community Services Tasmania, and was previously Chair of the Tasmanian Chamber of Commerce and Industry.

Appointment 22.04.2022

Term expires 22.04.2026

Mr Michael Shepperd

Representative of the Building Industry Specialist Contractors Organisation

After graduating with a Bachelor of Business Degree (Accounting), Michael gained work experience within Tasmanian Industry.

As a Certified Practising Accountant, Michael's involvement in public practice has concentrated on the provision of services to specialist contractors in the building and construction industry.

Appointment 29.04.1998

Reappointed 22.04.2022

Term expires 22.04.2026

Mr Jacob Batt

Representative of the Australian Manufacturing Workers Union

Jacob Batt is a union official and is currently the Acting Tasmanian State Secretary of the Australian Manufacturing Workers Union (AMWU). Jacob joined the Board in February 2024 having previously been an alternate Director and has worked for the AMWU since 2014.

Jacob is a proud Tasmanian who continues to represent workers across our great State.

Appointment 29.02.2024

Term expires 02.03.2028

The Board continued

Mr Michael Bailey

Representative of the Tasmanian Chamber of Commerce and Industry

- Chief Executive Officer, TCCI – 2013
- Director of TasBuild – 2020
- Director of the Tasmanian Jack Jumpers – 2021

Michael has strong business experience across Australia in media, marketing and general management. His expertise in marketing was recognised in the 2009 National Marketing Award by winning “Best New Brand” against major national and international brands.

Michael has led the TCCI to realise its vision and drives a contemporary organisation as the peak employer body in Tasmania. Active at the national level through his activities with the Australian Chamber of Commerce and Industry (ACCI) and the Australian Chamber Alliance, Michael has strengthened the chamber movement in Tasmania through the TCCI’s Regional Chamber Alliance.

Michael is a firm believer that Tasmanian business needs the best possible environment to succeed and provide wealth generation and employment for our community. Michael is committed to making it easy as possible to do business in Tasmania.

Michael is a strong supporter of growing Tasmania’s sporting industry and believes that our state, though small, can compete at the highest levels if given the right opportunities. This proved to be true when in the Jack Jumpers inaugural season of 2022, the team made the Grand Final of the National Basketball League.

Michael is also a keen cyclist and tragic Carlton supporter.

Appointment 20.04.2020
Re-appointed 24.04.2024
Term expires 24.04.2028

Mr Kevin Harkins

Representative of the Construction, Forestry, Mining & Energy Union

Kevin Harkins is now retired but was employed by the CFMEU, was a Secretary of Unions Tasmanian, was a State Secretary of the Tasmanian Branch of the Communications, Electrical and Plumbing Union (CEPU) and has been a Union Official since 1995.

Kevin is an “A” grade Electrician with many years’ experience in all fields of electrical work.

Kevin has extensive experience working with apprentices as a Field Officer and Director of a large Group Training Company, a board member with the Tasmanian Electrotechnology Industry Training Board, and as a member of the Tasmanian Training Agreement Committee.

Kevin has held numerous other board and committee positions and has undertaken a Directors course with the Australian Institute of Company Directors.

Appointment 16.08.2016
Re-appointed 22.04.2022
Term expires 22.04.2026

Mr Michael Anderson

Representative of the Communications, Electrical and Plumbing Union

Michael is a born and bred Tasmanian, beginning as an apprentice electrician, and working for large and small contractors once qualified.

He has been an official with the Communications Electrical and Plumbing Union since 2013, beginning in the construction section, and becoming State Secretary in 2018. Michael is now a Coordinator with Cbus Super.

Michael's prior Union roles have provided a wealth of knowledge in relation to governance and the nature and importance of true industry funds such as TasBuild.

He has undertaken the Australian Institute of Company Directors course, completed a RG146 course, holds a Certificate IV in Health and Safety among other qualifications, and has a wealth of practical site knowledge having worked for a long period on sites and in jobs covered by TasBuild

Appointment 07.12.2017

Re-appointed 24.04.2024

Term expires 24.04.2028

Mr David Clerk

Representative Master Builders Association

David began his career at PricewaterhouseCoopers where he specialised in supporting corporate deal activity and included time in the US and five years working in Shanghai supporting foreign investment into China. He later held senior roles in strategy, business development, finance and commercial within the energy and utilities sectors in companies including Alinta, Jemena and TXU Australia.

David returned to Tasmania in 2010 to become the University of Tasmania's Chief Operating Officer.

Over his time at the UTAS, David was responsible for the leadership and delivery of over \$1.2B of development including the UTAS medical and health precinct in Hobart, the IMAS building, The Hedberg Performing Arts Precinct, the Cradle Coast campus, various student accommodation developments across the State and the new Inveresk campus in Launceston.

Appointment 29.02.2024

Resigned 28.08.2025

Directors' Report

The Directors of TasBuild Limited submit here with the financial report of the Fund for the financial year ended 30 June 2025.

The Directors who held office during the reporting period were:

Director	Appointed	Ceased
Michael Shepperd	21 April 1998	
Kevin Harkins	16 August 2016	
Michael Anderson	7 December 2017	
Michael Bailey	20 April 2020	
Susan Parr	29 April 2022	
Jacob Batt	29 February 2024	
David Clerk	29 February 2024	

There has been no Directors who have resigned during the 2025 financial year. The Directors were in office from the beginning of the year until the date of this report. All the Directors of the Company are non-executive Directors. The appointment dates represent the initial date of the Directors appointment, reappointment dates have not been reported.

Principal Activities

TasBuild’s principal activities are to administer the *Construction Industry (Long Service) Act 1997*, the governing legislation for the construction industry based portable long service scheme. During the year there was no significant change in those activities.

Review & Results of Operation

The net profit of the Fund for the financial year was \$10,955,000 compared with a loss in the prior year of \$5,010,000.

Dividends

No dividend was paid or declared during the financial year, which is consistent with the 2024 financial year.

Significant Events after Balance Date

There has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Fund, the results of those operations, or the state of affairs of the Fund in financial years subsequent to this financial year.

Likely Development & Expected Results

The Directors do not predict any material change in the operations of the Fund or the expected results of those operations in future financial periods.

Significant Changes in the State of Affairs

There have been no significant changes in the nature of the Fund's activities during the year.

Environmental Regulation

The Fund's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Employees

The Fund employed 10.9 FTE employees as at 30 June 2025 (2024: 9.8 FTE employees).

Indemnification & Insurance of Directors & Officers

During the financial year, the Fund paid a premium insuring the Directors and Officers of the Fund against liabilities incurred as a Director or Officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Fund has not otherwise, during or since the financial year, indemnified or agreed to indemnify an Officer or Auditor of the Fund or of any related body corporate against a liability incurred as such an Officer or Auditor.

Proceedings on Behalf of Company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Director's Report

continued

Directors Meetings

Director	Eligible to Attend	Attended
Michael Shepperd	6	6
Kevin Harkins	6	5
Michael Anderson	6	5
Michael Bailey	6	5
Susan Parr	6	6
Jacob Batt	6	6
David Clerk	6	4

Information on Directors

Mr Michael Shepperd holds a Bachelor of Business Degree (Accounting) and is a Certified Practising Accountant.

Mr Jacob Batt is the State Secretary for the AMWU. Mr Batt has been with the AMWU since 2014.

Mr Kevin Harkins is a former employee of the CFMEU and is a past Secretary of Unions Tasmanian and State Secretary of the Tasmanian Branch of the Communications, Electrical and Plumbing Union (CEPU) and has been a Union Official since 1995.

Mr Michael Anderson is the former State Secretary of the CEPU and Co-ordinator for Tasmania with Cbus Super Mr Michael Bailey is the Chief Executive Officer of the Tasmanian Chamber of Commerce and Industry (TCCI).

Ms Susan Parr is a graduate of the Harvard business School Program on Negotiation. She is a former director of Spirit Super and previously CEO of St Ann's Homes. She was previously chair of Tasmanian Chamber of Commerce and Industry. She is now the Independent Chair of the Board.

Mr David Clerk is CEO and executive director of The Master Builders' Association of Tasmania Inc. David resigned from his position effective 28th August 2025.

Company Secretary

The following persons held the position of company secretary during the reporting period:

	Appointed	Ceased
Mark Williams	1 March 2023	

This Directors' Report is signed in accordance with a resolution of the Board of Directors:



Michael Anderson
Director



Michael Sheppard
Director

16 September 2025

Primary Statements

Statement of Comprehensive Income for the Year Ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Revenue			
Contributions Accrued Liability	1(k)	1,898	1,755
Monthly/Quarterly Contributions	1(k)	19,030	18,481
Gain/(Loss) on Financial Assets	2	22,518	16,388
Gain/(Loss) on Disposal of Assets		7	(2)
Miscellaneous Income		95	49
Total Revenue		43,548	36,671
Expenses			
Long Service			
Benefits Paid to Members	19	19,125	17,701
Increase/(Decrease) in Liability to Beneficiaries		10,600	21,390
Administration			
Salaries and Associated Expenses		1,518	1,326
General Administration Expenses	3(a)	1,153	1,071
Other Expenses			
Bad Debts		49	37
Depreciation / Amortisation	3(b)	148	156
Total Expenses		32,593	41,681
Net Current Year Profit / (Loss)		10,955	(5,010)
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		10,955	(5,010)
Net Profit Attributable to Members of TasBuild		10,955	(5,010)

The accompanying notes form part of these financial statements.

Primary Statements

continued

Statement of Financial Position as at 30 June 2025

	Note	2025 \$'000	2024 \$'000
Assets			
Cash and Cash Equivalents	5	3,883	1,453
Accounts and Other Receivables	6	4,234	3,977
Financial Assets	7	231,034	212,406
Right-of-Use Assets	8	124	199
Plant and Equipment	9	243	274
Investment Property	10	1,925	1,565
Intangible Assets	11	6	8
Total Assets		241,449	219,882
Liabilities			
Accrued Charges	18	150	99
Lease Liabilities	8	198	301
Provision for Employee Benefits	12	208	144
Accrued Long Service Leave Benefits Liability	19	162,038	151,438
Total Liabilities		162,594	151,982
Net Assets		78,855	67,900
Equity			
Retained Earnings		78,855	67,900
Total Equity		78,855	67,900

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
for the Year Ended 30 June 2025

	Retained Earnings \$'000	Total \$'000
Balance at 1 July 2023	72,910	72,910
Other Comprehensive Income	–	–
Profit / (Loss) for the Year	(5,010)	(5,010)
Balance at 30 June 2024	67,900	67,900
Balance at 1 July 2024	67,900	67,900
Other Comprehensive Income	–	–
Profit / (Loss) for the Year	10,955	10,955
Balance at 30 June 2025	78,855	78,855

The accompanying notes form part of these financial statements.

Primary Statements

continued

Statement of Cash Flows

for the Year Ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Cash Flows from Operating Activities			
Receipts from Contributors		20,653	19,838
Other Receipts		95	49
Interest Received		1,823	1,803
Payments to Suppliers and Employees		(2,582)	(2,435)
Liability to Beneficiaries		(19,113)	(17,701)
Net Cash Flows from / (used in) Operating Activities	17	876	1,554
Cash Flows from Investing Activities			
Purchase of Property, Plant & Equipment		(34)	(171)
Purchase of Financial Assets		1,707	(5,925)
Net Cash Flows from / (used in) Investing Activities		1,673	(6,096)
Cash Flows from Financing Activities			
Net Repayment of Lease Borrowings		(119)	(14)
		(119)	(14)
Net Increase / (Decrease) in Cash and Cash Equivalents		2,430	4,556
Cash and Cash Equivalents at Beginning of the Period		1,453	6,009
Cash and Cash Equivalents at End of the Period	5	3,883	1,453

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

The financial statements and notes represent those of the TasBuild fund. The trustee is TasBuild Limited, a company limited by guarantee, incorporated and domiciled in Australia.

1. Summary of Material Accounting Policy Information

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Fund is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS). Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. All amounts in the financial statements have been rounded to the nearest thousand dollars.

Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

Accounting Policies

(a) Income Tax

The Fund is exempt from income tax under Div. 50 of the *Income Tax Assessment Act 1997*.

(b) Fair Value of Assets and Liabilities

The Fund measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Fund would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

(c) Plant and Equipment

All items of Plant and Equipment are stated at cost less accumulated depreciation and any impairment in value.

Notes to the Financial Statements

For the year ended 30 June 2025

1. Summary of Significant Accounting Policies

continued

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Fund and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they occur.

Depreciation

All other items of Plant and Equipment are depreciated on a diminishing value basis over the estimated useful life of the asset as follows:

Category	2025	2024
Furniture and Fittings & Office Equipment	12-27%	12-27%
Motor Vehicles	20%	20%
Computer Equipment	27%	27%

Impairment

The carrying values of plant and equipment are reviewed for impairment at the end of each reporting period, or more often when events or changes in circumstances indicate the carrying value may not be recoverable.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised.

When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Leases

At inception of contract, the Fund assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Fund where the Fund is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Fund uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;

- lease payments under extension options, if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Fund anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(e) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Fund becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Fund commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are recognised as expenses in profit or loss immediately.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient has been applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial Liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3 applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at fair value, amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Notes to the Financial Statements

For the year ended 30 June 2025

1. Summary of Significant Accounting Policies

continued

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial Assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit and loss

On the basis of the two primary criteria, being:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit and loss.

The Fund initially designates financial instruments as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance to the documented risk management or investment strategy and information about the groupings was documented appropriately, so the performance of the financial liability that was part of an entity of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit and loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity Instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the entity made an irrevocable election to measure the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit and loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the entity’s accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the Fund’s contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;

Notes to the Financial Statements

For the year ended 30 June 2025

1. Summary of Significant Accounting Policies

continued

- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets;
- loan commitments that are not measured at fair value through profit or loss; and

- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Fund used the following approaches to impairment, as applicable under AASB 9:

Purchased or originated credit-impaired approach

For a financial asset that is considered to be credit impaired (not on acquisition or originations), the Fund measured any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment was recognised in profit or loss as an impairment gain or loss.

(f) Impairment of Non-Financial Assets

At each reporting date, the Fund assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Fund makes a

formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money.

(g) Intangible Assets Other than Goodwill

Software

Software is considered to have a finite useful life and is amortised on a systematic basis over its useful life to match the economic benefits received to the periods in which the benefits are received. Amortisation begins when the software becomes operational.

The amortisation rate used for software is 25% (2024: 25%).

(h) Employee Benefits

Short-Term Employee Benefits

Provision is made for the Fund's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employee rendered the related service, including wages, salaries, and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Fund's obligations for short-term employee benefits such as salaries and wages are recognised as part of the current liability in note 12. The Fund's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other Long-Term Employee Benefits

Provision is made for employees' long service leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates that approximate the terms of the obligations.

Upon the remeasurement of obligations due to change in assumptions for the long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense in the periods in which the change occurs.

The Fund's obligations for long-term employee benefits are presented as non-current provisions in note 12, except where the Fund does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Notes to the Financial Statements

For the year ended 30 June 2025

1. Summary of Significant Accounting Policies

continued

(i) Provisions

Provisions are recognised when the Fund has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(j) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(k) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after considering any discounts allowed.

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

Contribution Income

Effective from 1 January 2006 workers commenced accruing 13 weeks after 10 years, a change from 13 weeks after 15 years. Effective from 1 October 2017 the discounted contribution rate was changed to 1.8% of an employee's ordinary weekly wage (previously 2%). Income is recognised when the payment is received.

Rental Income

Rental income arising from investment buildings is accounted for on a straight-line basis over the lease term.

Interest

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets, is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax

(l) Trade and Other Receivables

Accounts receivable relate mainly to contributions. Contributions are non-interest bearing and generally on 30-day terms from invoice date. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Receivables are initially recognised at fair value and subsequently measured at amortised cost less any provision for impairment. Bad debts are written off as incurred.

(m) Trade and Other Payables

Trade and Other Payables represent the liabilities for goods and services received by the Fund that remain unpaid at the end of the reporting period. The balance of trade payables is recognised as a liability within accrued charges with the amounts normally paid within 30 days of recognition of the liability.

Contributions Payable including GST

With the enactment of the *Construction Industry (Long Service) Act 1997*, employers that had elected to contribute to the former fund under the Termination Scheme had an accrued liability to the Trustee for unpaid contributions. In accordance with the Rules, payment of this liability may be postponed until the employee leaves the employer or becomes eligible for the payment of an entitlement. Contributions payable includes any accrued liability prior to registration together with monthly or quarterly contributions by registered employers. In respect of contributions payable between 1 July 2000 and 30 June 2005 amounts invoiced include GST. Amounts expected to be paid within 12 months of the end of the reporting period are classified as current liabilities. All other contribution payables are classified as non-current liabilities.

(n) Goods and Services Tax

Revenues, expenses, and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables are stated inclusive of GST. The amount of GST recoverable has been netted off against GST Payable and recorded as a liability within accrued charges.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(o) Comparative figures

Where required by accounting standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(p) Critical Accounting Estimates and Judgements

Key Estimates

(i) Accrued Long Service Benefits Liability

The liability for accrued long service benefits is determined as the present value of all expected future payments that arise from the service of eligible workers up to the balance date.

The stated amount has been calculated by the Fund's actuary using an actuarial valuation method which considers assumptions of the rates of departure from the industry, mortality rates, increases in wages and rates of return on investments.

(q) New and Revised Accounting Standards

The Fund has adopted the following new standards and amendments to standards:

- AASB 2020-1: *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current.*

Adoption of this amendment has not resulted in any significant changes in how the Fund currently applies accounting standards.

(r) Subsequent Events

There were no subsequent events noted during the year affecting the operations of TasBuild.

Notes to the Financial Statements

For the year ended 30 June 2025

	2025 \$'000	2024 \$'000
2. Income from Financial Assets		
(a) Domestic Market		
Interest Income	1,823	1,803
(b) Funds Held by Fund Managers		
Unrealised Gain/(Loss)	20,695	14,585
Total Income from Financial Assets	22,518	16,388

3. Expenses

(a) General Administration Expenses		
Postage	12	15
Telephone	16	13
Printing and Stationery	23	26
General Expenses	169	167
Consultancies	12	17
IT Expenses (excluding depreciation)	294	256
Board Members' Allowances	269	267
Audit Fees	19	10
Vehicle Expenses (excluding depreciation)	18	18
Legal Expenses	223	240
Actuarial Services	60	22
Advertising and Promotion	38	20
Total General Administration Expenses	1,153	1,071
(b) Depreciation / Amortisation		
Office Equipment	5	4
Motor Vehicles	20	25
Computer Equipment	5	5
Furniture and Fixtures	4	3
Office Lease	75	105
Leasehold Improvements	39	14
Total Depreciation	148	156

	2025 \$'000	2024 \$'000
--	----------------	----------------

4. Auditor's Remuneration

Amounts received or due and receivable by WLF Accounting & Advisory for:

Audit and review of the financial report of TasBuild Limited	19	18
Total Auditors Remuneration	19	18

5. Cash and Cash Equivalents

Cash at bank and in hand	3,883	1,453
--------------------------	-------	-------

Cash at bank earns interest at floating rates based on daily bank deposit rates.

For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Note	2025 \$'000	2024 \$'000
------	----------------	----------------

6. Trade and Other Receivables

Current

Trade Receivables	6(a)	4,534	4,203
Provision for Impairment	6(b)	(500)	(500)
Accrued Interest		152	209
Prepayments		16	34
GST Receivable/(Payable)		32	31
Total Current Trade and Other Receivables		4,234	3,977

(a) Terms and conditions relating to the above financial instruments:

Trade receivables are generally 30-day terms. These receivables are assessed for recoverability and a provision for impairment would be recognised when there is objective evidence that an individual trade receivable is impaired. These amounts would be included in other expense items.

Notes to the Financial Statements

For the year ended 30 June 2025

6. Trade and Other Receivables continued

(b) Lifetime Expected Credit Loss; Credit Impaired

The Fund applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of lifetime expected credit loss provision for all trade receivables.

(c) Credit Risk

The Fund has no significant concentration of credit risk with respect to any single debtor included in the balance above.

The Fund does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

The Fund writes off a trade receivable when there is information indicating the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

	Note	2025 \$'000	2024 \$'000
--	------	----------------	----------------

7. Financial Assets

Term Deposits	7(b)	1,400	3,450
Funds Under Management	7(a)	210,316	189,622
Loans Receivable	7(b)	19,318	19,318
Bond – Office Lease	7(a)	–	16
Total Investments		231,034	212,406

(a) Financial Assets Measured at Fair Value through Profit or Loss

Funds Under Management	210,316	189,622
Bond – Office Lease	–	16
	210,316	189,638

(b) Financial Assets at Amortised Cost

Term Deposits	1,400	3,450
Loans Receivable	19,318	19,318
	20,718	22,768

Funds Under Management and Other Investments are held for long-term planned purposes and are not held for trading. The Fund has elected to designate the Funds Under Management as fair value through profit and loss.

	Note	2025 \$'000	2024 \$'000
8. Right-of-Use Assets			
Right of Use Asset		224	224
Less Accumulated Amortisation		(100)	(25)
Total Right-of-Use Assets	8(a)	124	199
(a) Movements in Carrying Amounts			
Carrying amount at beginning		199	80
Additions		–	224
Amortisation expense		(75)	(105)
Carrying amount at end		124	199
Lease Liability			
Current		115	104
Non-Current		83	197
Total Lease Liability		198	301

9. Plant and Equipment

Office Equipment at cost		22	16
Less Accumulated Depreciation		(10)	(7)
	9(a)	12	9
Motor Vehicles at cost		134	159
Less Accumulated Depreciation		(41)	(60)
	9(a)	93	99
Computer Equipment at cost		95	77
Less Accumulated Depreciation		(68)	(63)
	9(a)	27	14
Furniture and Fixtures at cost		55	52
Less Accumulated Depreciation		(21)	(16)
	9(a)	34	36
Leasehold Improvements		130	130
Less Accumulated Depreciation		(53)	(14)
	9(a)	77	116
Total Plant and Equipment		243	274

Notes to the Financial Statements

For the year ended 30 June 2025

9. Plant and Equipment continued

	2025 \$'000	2024 \$'000
(a) Movements in Carrying Amounts		
<i>Office Equipment</i>		
Carrying amount at beginning	9	4
Additions	6	7
Depreciation expense	(3)	(2)
Carrying amount at end	12	9
<i>Motor Vehicles</i>		
Carrying amount at beginning	99	122
Additions	48	–
Disposals	(34)	–
Depreciation Expense	(20)	(23)
Carrying amount at end	93	99
<i>Computer Equipment</i>		
Carrying amount at beginning	14	17
Additions	18	2
Depreciation expense	(5)	(5)
Carrying amount at end	27	14
<i>Furniture and Fixtures</i>		
Carrying amount at beginning	36	10
Additions	2	32
Disposals	–	(3)
Depreciation expense	(4)	(3)
Carrying amount at end	34	36
<i>Leasehold Improvements</i>		
Carrying amount at beginning	116	–
Additions	–	130
Depreciation expense	(39)	(14)
Carrying amount at end	77	116

	2025 \$'000	2024 \$'000
10. Investment Property		
Balance at Beginning of year	1,565	–
Additions	360	1,565
Disposals	–	–
Balance at end of year	1,925	1,565

The Fund purchased a property at 240-244 Murray Street, Hobart on 4th June 2024 for the intended purpose to develop the property for office accommodation in future years.

	Note	2025 \$'000	2024 \$'000
11. Intangible Assets			
Computer Software at cost		28	28
Less Accumulated Depreciation	11(a)	(22)	(20)
		6	8

(a) Movements in Carrying Amounts

Computer Software

Carrying amount at beginning	8	11
Additions	–	–
Depreciation Expense	(2)	(3)
Carrying amount at end	6	8

12. Provision for Employee Benefits

Current	154	122
Non-Current	54	22
Total Provision for Employee Benefits	208	144

Notes to the Financial Statements

For the year ended 30 June 2025

13. Segment Reporting

TasBuild operates predominantly in one business and geographical segment, being the administration of the *Construction Industry (Long Service) Act 1997* throughout Tasmania.

	2025 \$'000	2024 \$'000
--	----------------	----------------

14. Related Party Transactions

(a) Directors and Key Management Personnel Remuneration

Short-term benefits	273	261
Post-employment benefits	38	31
	311	292

(b) Other Related Parties

Fees paid to the bodies which nominate a Director:	194	187
--	-----	-----

For all Directors of TasBuild, excluding the Chairman, Directors' fees are paid directly to the body which nominates the Director.

15. Contingent Assets and Contingent Liabilities

There are no contingent liabilities or contingent assets known at the date of preparing this report.

16. Events after the Reporting Period

The directors are not aware of any significant events since the end of the reporting period.

17. Reconciliation of Net Profit/(Loss) to Net Cash Flows from Operating Activities

	2025 \$'000	2024 \$'000
Net Profit / (Loss)	10,955	(5,010)
<i>Adjustments for:</i>		
(Profit)/Loss on Sale of Plant and Equipment	(7)	2
Reinvestment of Financial Asset Income	(20,695)	(14,585)
Depreciation	74	51
Amortisation of Right-of-Use Asset	75	105
Interest on Lease Liability	16	7
<i>Changes in Assets and Liabilities</i>		
(Increase)/Decrease in Receivables and Other Assets	(275)	(398)
(Increase)/Decrease in Prepaid Expenses	18	2
Increase/(Decrease) in Employee Provisions	64	(1)
Increase/(Decrease) in Liability to Beneficiaries	10,600	21,390
Increase/(Decrease) in Other Liabilities	51	(9)
Net Cash Increase/(Decrease) from Operating Activities	876	1,554

Notes to the Financial Statements

For the year ended 30 June 2025

18. Financial Risk Management Objectives and Policies

The Trustee of the Construction Industry (Long Service) Fund, TasBuild Limited, is responsible for the management and investment of the Fund. The Board of Directors has overall responsibility for the establishment and oversight of the Trustee's risk management framework, including its investment strategies.

Investment strategies have been developed by the Trustee to manage the Fund's investments which aim to build on the surplus funds to maintain the best subsidised contribution rate for employers within the construction industry whilst maximising employee benefits by matching performance, on a rolling basis, to identified benchmarks and minimising the frequency of negative returns.

This is achieved through the appointment of appropriate and reputed fund managers who are responsible for the management of most of these investments and all associated investment risks on behalf of the Trustee. The current fund manager is Mercer. Subsequent to year end, the Fund will transition to Jana as the fund manager.

The fund manager is required to invest the assets managed by it in accordance with the terms of a written investment mandate, appropriate for the objectives of the fund. No direct trading in financial instruments of any kind is conducted by the Trustee.

The Fund's investing activities expose it to material risk and investment manager risk. The fund is exposed to a lesser degree to liquidity risk and credit risk. The Board are responsible for the oversight of investment manager risk. The Board has delegated the oversight of market risk to the Fund Manager and the oversight of the other risks to management.

The Board oversees these risks through receiving monthly management reports on the performance and position of the fund including monthly fund manager movements. Detailed quarterly reports are received from the fund manager detailing investment performance benchmarks and stated objectives.

Investment Manager Risk

The Trustee undertakes a rigorous assessment process when selecting and reviewing fund managers. The selection, review and replacement of fund managers is undertaken by the Board of the Trustee. The Trustee ensures that fund managers have appropriately diversified its investments across a range of investment products.

The Trustee receives financial updates on a monthly basis measuring performance for the month. Detailed performance reporting is received on a quarterly basis showing performance against benchmarks, investment objectives and general market conditions, allowing manager performance to be monitored throughout the year. Compliance with the agreed investment philosophy is also monitored.

On an annual basis a rigorous review of fund manager performance is conducted by the Board in accordance with the Trustee’s investment strategies and the trust deed.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, whilst optimising the return on risk.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates.

The Board may invest in financial instruments and enter into transactions denominated in currencies other than the Australian Dollar within the constraints of the investment strategy. The Board’s strategy for management of currency risk is driven by its investment objective and strategy.

Market Price Risk

Market price risk is the risk that the value of investments will fluctuate as a result of changes in the market prices. The investments placed with fund managers invest in the following securities exposing them to market price risk:

Cash and Other	2.5%
Australian Shares	22.6%
Overseas Shares	24.7%
Property and Infrastructure	27.2%
Bonds	23%

Market price risk is mitigated by the appointment of an appropriate fund manager and ensuring the investment portfolio is diversified across a range of asset classes and global markets.

Interest Rate Risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Most of the Fund’s investments are held in non-interest bearing investments. The Trustee’s exposure to interest rates relates primarily to the Trustee’s investment in cash and fixed interest funds. Returns on these investments will fluctuate with movements in market interest rates.

Notes to the Financial Statements

For the year ended 30 June 2025

18. Financial Risk Management Objectives and Policies continued

Interest Rate Sensitivity

The sensitivity of the Fund to movements in interest rates is restricted to its cash investments. As the value of cash investments are immaterial it is assessed that a 100-basis point movement in interest rates would not cause a material change in the income or investment values of the fund.

Credit Risk

Credit risk is the risk that a counter party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The maximum exposure is equal to the carrying amount in the statement of financial position. Receivable balances are monitored on an ongoing basis with the result that the Trustee’s exposure to bad debts is not significant.

There are no significant concentrations of credit risk within the Trustee’s holdings with the exception of being concentrated in the construction industry.

Liquidity Risk

Liquidity risk is the risk that the Fund will not be able to meet its financial obligations as they fall due. The Fund’s approach to managing liquidity is to ensure it will have sufficient liquidity to meet its liabilities as and when they fall due through maintaining sufficient holdings in investments which are readily convertible to cash in the short term.

The following are the contractual maturities of the Fund’s financial liabilities:

Financial Liabilities	Contractual Cash Flows		Due Less than 1 month	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Accrued Charges	150	99	150	99
Total	150	99	150	99

Estimation of Fair Value

TasBuild’s financial assets and liabilities included in the statement of financial position are carried at net market value which the Board believes approximates net fair value. The major methods and assumptions used in estimating the fair values of financial instruments are disclosed in Note 1.

19. Accrued Long Service Leave Benefits Liability

Long Service Leave Benefits Liability Verified by Actuary

A significant factor impacting the Fund's provision during the 2025 financial year has been the unwinding of discounting which has added around \$7.2m. Other significant factors have been the accrual of new service days and the benefits paid to members. New accrual of service has added \$21.2m to the provision, while benefits paid during the year have reduced the provision by \$19.1m. In addition, the valuation method has been modified to use the last weekly pay rather than average weekly pay, with a further 4% reduction due to treatment of abnormal wage variations, resulting in a reduction of the provision by \$4.2m.

	2025 \$'000	2024 \$'000
Current	18,425	17,820
Non-Current	143,613	133,618
Total Accrued Long Service Benefits Liability	162,038	151,438
<i>Movement in Provision</i>		
Value of provision at start of period	151,438	130,048
Allowance for administration at start of period	(6,300)	(3,600)
	145,138	126,448
Change in provision due to:		
– Unwinding of interest / discounting	7,185	6,350
Impact of change in benefit rules	(4,161)	7,342
Impact of benefit accrual and payments		
– New accrual of service days accrued in period	21,178	19,517
– Benefits paid to members in period	(19,137)	(17,701)
– Change in provision for self-employed workers	159	163
Economic Factors		
– Change in discount rate	5,878	755
– Change in assumed future wage inflation rate	–	1,215
– Wage increases higher than assumed	1,847	2,118
Other Factors	(2,649)	(1,069)
Provision at end, excluding administration expenses	155,438	145,138
Allowance for administration	6,600	6,300
Value of provision at end of period	162,038	151,438

Notes to the Financial Statements

For the year ended 30 June 2025

19. Accrued Long Service Leave Benefits Liability

continued

Actuarial Statement

We have carried out an investigation of the fund as at 30 June 2025 and have calculated the actuarial liability for accrued long service leave benefits (inclusive of allowances for the cost of paying the accrued entitlements) to be \$162.038 million.

Geoff Morley, BSc, BCom
Fellow of the Institute of Actuaries of Australia
GM Actuaries Pty Ltd

Alfred Au, BCom, LLB (Hons)
Fellow of the Institute of Actuaries of Australia
GM Actuaries Pty Ltd

Dated: 25 August 2025

20. Entity Details

The registered office of the Company is:

TasBuild Limited
Ground Floor, 99 Bathurst Street
Hobart TAS 7000

Directors' Declaration

In accordance with a resolution of the directors of TasBuild Limited, the directors declare that:

1. The financial statements and notes of the TasBuild Fund are in accordance with the *Corporations Act 2001* and:
 - a. Comply with Australian Accounting Standards; and
 - b. Give a true and fair view of the financial position of the Fund as at 30 June 2025 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.



Michael Anderson
Director

16 September 2025



Michael Sheppard
Director

16 September 2025



Auditor's Independence Declaration under S307C of the *Corporations Act 2001* to the Directors of TasBuild Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

Wise Lord & Ferguson

WISE LORD & FERGUSON

Rebecca Meredith

REBECCA MEREDITH
Partner

Dated: 16 September 2025





INDEPENDENT AUDITOR'S REPORT

To the directors of TasBuild Limited

Opinion

We have audited the financial report of TasBuild Limited and the Construction Industry (Long Service) Fund, which comprises the statement of financial position as at 30 June 2025, 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 material accounting policy information, the consolidated entity disclosure statement (for TasBuild Limited) and statement by the trustees.

Separate unqualified audit opinions have been issued on these two entities in accordance with the governing rules and legislation. This audit report is a special purpose audit report as required by clause 10.3 of TasBuild Limited's Trust Deed dated 19 June 1998, in accordance with TasBuild Limited's Articles of Association, recital 25 and Memorandum of Association, clause 5.

In our opinion the financial report of TasBuild Limited and the Construction Industry (Long Service) Fund for the period ended 30 June 2025 are properly drawn up:

- a) so as to give a fair and reasonable view of:
 - i. the remuneration appropriated out of the Fund by the Trustee; and
 - ii. the remuneration paid by the Trustee to each member of the Board; and
 - iii. the expenses reimbursed by the Trustee to each member of the Board;
- b) in accordance with TasBuild Limited's:
 - i. Trust Deed, clause 10.3; and
 - ii. Articles of Association, recital 25; and
 - iii. Memorandum of Association, clause 5.

Basis for Opinion

This special purpose audit report is prepared to express an opinion on whether the financial report of TasBuild Limited and the Construction Industry (Long Service) Fund for the period ended 30 June 2025 is properly drawn up:

- a) so as to give a fair and reasonable view of:
 - i. the remuneration appropriated out of the Fund by the Trustee; and
 - ii. the remuneration paid by the Trustee to each member of the Board; and
 - iii. the expenses reimbursed by the Trustee to each member of the Board;
- b) in accordance with TasBuild Limited's:
 - i. Trust Deed, clause 10.3; and
 - ii. Articles of Association, recital 25; and
 - iii. Memorandum of Association, clause 5.

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

1st Floor, 160 Collins Street, Hobart TAS 7000 | GPO Box 1083 Hobart TAS | 03 6223 6155 | email@wlf.com.au | www.wlf.com.au

Liability limited by a scheme approved under Professional Standards Legislation. **Move Forward** >



Financial Report section of our report. We are independent of the Entity in accordance with 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.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of TasBuild Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information

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

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

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

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

Responsibilities of the directors of TasBuild Limited for the Financial Report

The directors are responsible for the preparation and fair presentation of:

- a) the financial report (other than the consolidated entity disclosure statement for TasBuild Limited) in accordance with the conditions outlined at (a) and (b) in the Basis for Opinion above; and
- b) the consolidated entity disclosure statement for TasBuild Limited that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as management determines is necessary to enable the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement for TasBuild Limited) that is free from material misstatement, whether due to fraud or error; and
- b) the consolidated entity disclosure statement for TasBuild Limited that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the 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 directors either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Entity's financial reporting process.

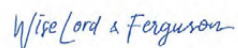
Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion, based on our audit, on conditions outlined at (a) and (b) in the Basis of Opinion above, 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 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 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.



WISE LORD & FERGUSON



REBECCA MEREDITH

Partner

Date: 17 September 2025



INDEPENDENT AUDITOR'S REPORT

To the trustee and members of Construction Industry (Long Service) Fund

Opinion

We have audited the financial report of Construction Industry (Long Service) Fund, which comprises the statement of financial position as at 30 June 2025, 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 material accounting policy information, and the statement by the trustees.

In our opinion, the accompanying financial report of Construction Industry (Long Service) Fund, is in accordance with the *Corporations Act 2001*, including:

- a. the financial report of Construction Industry (Long Service) Fund is in accordance with the *Corporations Act 2001*, including:
 - i giving a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the trustee of Construction Industry (Long Service) Fund, would be in the same terms if given to the trustee as at the time of this auditor's report.

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

Other Information

The trustee of Construction Industry (Long Service) Fund ('the trustee') is responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

1st Floor, 160 Collins Street, Hobart TAS 7000 | GPO Box 1083 Hobart TAS | 03 6223 6155 | email@wlf.com.au | www.wlf.com.au

Liability limited by a scheme approved under Professional Standards Legislation. **Move Forward** >



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

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

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

Responsibilities of the Trustee of Construction Industry (Long Service) Fund for the Financial Report

The trustee is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the trustee determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the trustee is responsible for assessing the Company'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 trustee either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

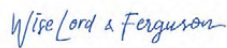
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 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 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.



WISE LORD & FERGUSON



REBECCA MEREDITH

Partner

Date: 17 September 2025

