



Plumbing & Pipe Trades Entitlement Fund

ABN: 73 191 670 755

Financial Statements for the year ended
30 September 2025

Plumbing & Pipe Trades Entitlement Fund
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For the year ended 30 September 2025



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Plumbing & Pipe Trades Entitlement Fund
Statement of Comprehensive Income
For the year ended 30 September 2025



	Note	2025 \$	2024 \$
Investment income	2	3,842,630	4,375,669
Other income	3	286,040	26,591
Operating expenses	4	<u>(526,825)</u>	<u>(475,041)</u>
Profit before income tax expense		3,601,845	3,927,219
Income tax expense		<u>-</u>	<u>-</u>
Profit after income tax expense for the year		3,601,845	3,927,219
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>3,601,845</u></u>	<u><u>3,927,219</u></u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes

Plumbing & Pipe Trades Entitlement Fund
Statement of Financial Position
As at 30 September 2025



	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	5	4,397,047	5,483,108
Trade receivable and other assets	6	3,012,159	3,746,294
Financial assets measured at amortised cost	7	4,901,394	4,629,152
Total current assets		<u>12,310,600</u>	<u>13,858,554</u>
Non-current assets			
Financial assets measured at amortised cost	8	5,588,623	3,302,007
Financial assets measured at fair value through profit and loss	9	57,514,417	49,393,756
Investment in subsidiary	10	10,000	10,000
Total non-current assets		<u>63,113,040</u>	<u>52,705,763</u>
Total Assets		<u>75,423,640</u>	<u>66,564,317</u>
Liabilities			
Current liabilities			
Trade and other payables	11	4,840,174	4,143,969
Total current liabilities		<u>4,840,174</u>	<u>4,143,969</u>
Non-current liabilities			
Worker member liability balances	12	70,734,976	62,648,703
Total non-current liabilities		<u>70,734,976</u>	<u>62,648,703</u>
Total Liabilities		<u>75,575,150</u>	<u>66,792,672</u>
Net Liabilities		<u><u>(151,510)</u></u>	<u><u>(228,355)</u></u>
Equity			
Distributable surplus/(deficit)		<u>(151,510)</u>	<u>(228,355)</u>
Total Equity/(Deficit)		<u><u>(151,510)</u></u>	<u><u>(228,355)</u></u>

The above statement of financial position should be read in conjunction with the accompanying notes

Plumbing & Pipe Trades Entitlement Fund
Statement of Changes in Equity
For the year ended 30 September 2025



	Distributable surplus/(deficit) \$	Total equity/(deficit) \$
Balance at 1 October 2023	(1,506,683)	(1,506,683)
Profit after income tax expense for the year	3,927,219	3,927,219
Other comprehensive income for the year	-	-
Total comprehensive income for the year	3,927,219	3,927,219
Distributions to worker members	(2,648,891)	(2,648,891)
Balance at 30 September 2024	(228,355)	(228,355)
	Distributable surplus/(deficit) \$	Total equity/(deficit) \$
Balance at 1 October 2024	(228,355)	(228,355)
Profit after income tax expense for the year	3,601,845	3,601,845
Other comprehensive income for the year	-	-
Total comprehensive income for the year	3,601,845	3,601,845
Distributions to worker members	(3,525,000)	(3,525,000)
Balance at 30 September 2025	(151,510)	(151,510)

The above statement of changes in equity should be read in conjunction with the accompanying notes

Plumbing & Pipe Trades Entitlement Fund
Statement of Cash Flows
For the year ended 30 September 2025



	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from employers/transfers in		18,360,778	17,334,982
Benefit payments to worker members		(10,172,771)	(9,927,499)
Interest income		150,113	161,190
Net other payments for operating expenses		<u>(465,782)</u>	<u>(394,416)</u>
Net cash from operating activities	13	<u>7,872,338</u>	<u>7,174,257</u>
Cash flows from investing activities			
Placement of cash in financial investment assets		<u>(6,500,000)</u>	<u>(5,500,000)</u>
Net cash used in investing activities		<u>(6,500,000)</u>	<u>(5,500,000)</u>
Cash flows from financing activities			
Distributions paid to worker members		(2,448,399)	(2,281,133)
Net advances to subsidiary		<u>(10,000)</u>	<u>-</u>
Net cash used in financing activities		<u>(2,458,399)</u>	<u>(2,281,133)</u>
Net decrease in cash and cash equivalents		(1,086,061)	(606,876)
Cash and cash equivalents at the beginning of the financial year		<u>5,483,108</u>	<u>6,089,984</u>
Cash and cash equivalents at the end of the financial year	5	<u><u>4,397,047</u></u>	<u><u>5,483,108</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

1. Material accounting policy information

New or amended Accounting Standards and Interpretations adopted

The Trust has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Trust.

Basis of preparation

The Trustee of Plumbing & Pipe Trades Entitlement Fund (the Trust) is Plumbing and Pipe Trades Entitlement Fund Limited (the Trustee). The financial statements have been prepared as a special purpose financial report that satisfies the needs of the beneficiaries and fulfils the Trustee's requirement under the trust deed to prepare financial statements.

The financial statements have been prepared in accordance with the accounting policies disclosed below, which the Directors have determined are appropriate to meet the needs of the users. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes.

In order to prepare, in all material respects, the Trust's performance and financial position, the report has been prepared in accordance with the recognition and measurement requirements outlined in the Australian Accounting Standards:

- AASB 101 - Presentation of Financial Statements
- AASB 107 - Cash Flow Statements; and
- AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors.

The financial statements have been rounded to the nearest dollar.

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

The financial statements are presented in Australian dollars which is the Trust's functional and presentation currency.

Going concern

The financial statements of the Trust have been prepared on a going concern basis, notwithstanding the net asset deficiency of the Trust, which contemplates continuity of normal business activities, funding of operating activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Directors have considered all plans, budgets and forecasts and whilst significant estimates and judgements including the impacts of the wider economic environment are always required, the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

Current versus non-current classification

The Trust presents assets and liabilities in the statement of financial position based on current/non-current classification.

1. Material accounting policy information (continued)

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting date; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after reporting date

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and the income can be reliably measured.

Revenue is measured at the value of the consideration received or receivable.

All revenue is stated net of the amount of goods and services tax (GST).

Interest revenue

Interest revenue is recognised as the interest accrues to the net carrying amount of the financial asset.

Interest earned on financial assets classified as at amortised cost or fair value through profit and loss is recorded in interest revenue according to the terms of the applicable contract. Interest has been earned on the loan receivable from PPTEF Investments Pty Ltd.

Investment income

Investment income is derived by obtaining the movement in market value of the investments from period to period. Distributions from investments are recognised in the period in which they are received or, if applicable, when the units are reinvested. Realised gains and losses are recognised in the period in which the investment is disposed. Investment income is shown net of the management fees incurred in earning the income.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, to the extent that GST incurred is recoverable from the Australian Taxation Office. Where GST is not recoverable, the GST is recognised as a separate operating expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Financial instruments

Financial assets

Initial recognition and classification

At initial recognition, financial assets are classified as subsequently measured at amortised cost, or fair value through profit or loss.

1. Material accounting policy information (continued)

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Trust's business model for managing them. The Trust initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. The classification of a financial asset is determined on an instrument by instrument level after assessing the individual characteristics of each new asset.

In order for a financial asset to be classified and measured at amortised cost it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Trust's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at fair value through profit or loss
- Financial assets at amortised cost (debt instruments)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Financial assets at amortised cost (debt instruments)

The Trust measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Impairment of financial assets

Impairment on financial assets is recognised on an expected credit loss (ECL) model at the time of initial recognition of the financial asset. A simplified approach is used to determine impairment of financial assets which include cash and bank balances, trade receivables and sundry debtors.

1. Material accounting policy information (continued)

The general approach is applied to receivables and loans. This requires an ECL to be recognised in two stages: 1) For those credit exposures with no significant increase in credit risk since initial recognition, entities are required to provide for default events that are possible in the next 12 months and 2) for those with a significant increase in exposure since initial recognition, a loss allowance is also required for credit losses expected over the remaining life of the exposure.

The Trust has applied the expected credit loss model and considered the relevant judgement in relation to the requirements of impairment. Based on all available factors the Trust has assessed an expected credit loss as close to zero and, being immaterial, no amount is taken up for impairment.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument.

At initial recognition, financial liabilities are measured at fair value less any directly attributable transaction costs. The Trust's financial liabilities comprise trade and other payables.

Subsequent measurement

All financial liabilities are classified by the Trust as subsequently measured at amortised cost using the effective interest method.

Any gain or loss on a financial liability that is measured at amortised cost shall be recognised in profit or loss when the liability is derecognised and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Cash and cash equivalents

Cash in the statement of financial position comprises cash held with banks.

Trade and other payables

Trade and other payables are measured at amortised cost and represent liabilities for goods and services provided to the Trust during the financial year that remain unpaid at year end. The Trust is obligated to make future payments in respect of the purchase of these goods and services.

Worker member liability balances

This liability represents the balance of redundancy contributions held in trust on behalf of worker members of the Fund.

Nature of the Trust

The purpose of the Trust is to provide a mechanism for employers to comply in respect of redundancy payments which they are obligated by certain Awards, Industrial Agreements and Enterprise Agreements to make to their employees. The purpose of the Trust is also to provide security of redundancy and income to employees by the distribution of the Trust surplus each year.

1. Material accounting policy information (continued)

Employers are required to contribute certain minimum amounts per week per employee to fund the award redundancy entitlements to the Trust. However, the Trust does provide for contribution flexibility in that employers can make higher contributions based on an industrial agreement. When an employee is made redundant, as prescribed in the Trust Deed, the Trust will make a payment directly to the worker.

2. Investment income

	2025 \$	2024 \$
Net mark to market movement in fair value	2,181,767	1,649,757
Distributions received	673,493	689,907
Interest revenue	1,585,361	1,531,593
Management fees	(501,605)	(468,074)
Realised gain/(loss) on investments	(358,628)	512,817
Interest from subsidiary	262,242	259,669
Dividend received from subsidiary	-	200,000
	<u>3,842,630</u>	<u>4,375,669</u>

3. Other income

	2025 \$	2024 \$
Late payment fees received	52,518	26,591
Write back unclaimed distributions	233,522	-
	<u>286,040</u>	<u>26,591</u>

4. Operating expenses

	2025 \$	2024 \$
Audit, tax and accounting fees	41,504	41,692
Bank fees	2,316	3,107
Corporate insurances	46,323	58,589
IT expenses	57,479	57,030
Legal fees	20,674	13,466
Administration expenses	306,060	280,000
GST expense	33,219	17,225
Other	19,250	3,932
	<u>526,825</u>	<u>475,041</u>

5. Cash and cash equivalents

	2025 \$	2024 \$
Cash at bank	<u>4,397,047</u>	<u>5,483,108</u>

6. Trade receivable and other assets

	2025 \$	2024 \$
Sundry debtors	-	259,200
Prepayments	10,364	4,905
Related entity receivables	-	3,394
Dividends receivable	3,001,795	3,478,795
	<u>3,012,159</u>	<u>3,746,294</u>

7. Financial assets at amortised cost

	2025 \$	2024 \$
Loan receivable from PPTEF Investments Pty Ltd	<u>4,901,394</u>	<u>4,629,152</u>

The above loan receivable financial asset represents a loan receivable from PPTEF Investments Pty Ltd, a wholly owned subsidiary. This loan is payable by PPTEF Investments Pty Ltd at call and is interest bearing at the Bank Bill Swap Rate +1.5%. Payment of interest may be by way of addition to the outstanding loan amount. Additional advances to the loan are also made from time to time. All advances made are for the purpose of investing and creating income or such other purpose as may be specified by the Trust.

8. Financial assets measured at amortised cost

	2025 \$	2024 \$
Macquarie cash management account	3,088,623	802,007
Paradigm property trust loan	<u>2,500,000</u>	<u>2,500,000</u>
	<u>5,588,623</u>	<u>3,302,007</u>

9. Financial assets measured at fair value through profit and loss

	2025 \$	2024 \$
Investments held with Paradigm group	32,014,139	22,854,691
Investments held in Paradigm property portfolio	<u>25,500,278</u>	<u>26,539,065</u>
	<u>57,514,417</u>	<u>49,393,756</u>

10. Investment in subsidiary

	2025 \$	2024 \$
Investment in subsidiary - at cost	<u>10,000</u>	<u>10,000</u>

11. Trade and other payables

	2025 \$	2024 \$
Accounts payable	64,149	10,929
Sundry creditors	27,254	274,019
GST payable	(4,377)	8,538
Related entity payables	-	106
IPT administration fees payable	39,018	81,059
IPT contributions payable	215,622	193,598
Industry levies payable	549,778	470,069
Distributions payable	<u>3,948,730</u>	<u>3,105,651</u>
	<u>4,840,174</u>	<u>4,143,969</u>

12. Worker member liability balances

	2025 \$	2024 \$
Opening balance	62,648,703	55,904,888
Employer contributions received/transfers in	18,259,045	16,671,315
Claim payments made to worker members	<u>(10,172,772)</u>	<u>(9,927,500)</u>
Closing balance	<u>70,734,976</u>	<u>62,648,703</u>

13. Cash flow information

Reconciliation of cash flow from operations after income tax

	2025 \$	2024 \$
Profit after income tax expense for the year	3,601,845	3,927,219
<i>Non-cash flows in profit:</i>		
Dividend income	-	(200,000)
Interest earned on loan to subsidiary	(262,242)	(259,669)
Non-cash movement in investments	(3,430,276)	(3,754,811)
Write back unclaimed distributions	(233,522)	-
<i>Changes in assets and liabilities:</i>		
Increase in employer contributions held in trust	8,086,273	6,743,815
Increase/(decrease) in payables	(131,472)	990,048
(Increase)/decrease in receivables	241,732	(272,345)
Net cash from operating activities	<u>7,872,338</u>	<u>7,174,257</u>

14. Subsequent events

There are no subsequent events to report.

Plumbing & Pipe Trades Entitlement Fund
Trustee's Declaration
For the year ended 30 September 2025



In accordance with a resolution of the directors of Plumbing and Pipe Trades Entitlement Fund Limited, being the Trustee of Plumbing & Pipe Trades Entitlement Fund, I state that:

In the opinion of the directors:

- the financial statements and notes of the Trust:
 - (i) present fairly the Trust's financial position as at 30 September 2025 and of its performance for the year ended on that date; and
 - (ii) comply with the Australian Accounting Standards to the extent described in Note 1 to the financial statements;
- there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

On behalf of the Directors of the Trustee Company

A handwritten signature in blue ink, appearing to read "Theodoros Samartzopoulos", written over a horizontal line.

Theodoros Samartzopoulos
Director

A handwritten signature in blue ink, appearing to read "Shayne La Combre", written over a horizontal line.

Shayne La Combre
Director

26 November 2025
Sydney

**Independent Audit Report
To The Trustees of Plumbing and Pipe Trades Entitlement Fund Limited ATF
Plumbing and Pipe Trades Entitlement Fund**

Report on the Audit of the Financial Report

Auditor's Opinion

We have audited the accompanying financial report, being a special purpose financial report of Plumbing and Pipe Trades Entitlement Fund, ("the Trust"), which comprises the statement of financial position as at 30 September 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended and notes to the financial statements, including a summary of significant accounting policies, and the Trustee's Declaration.

In our opinion the accompanying financial report of Plumbing and Pipe Trades Entitlement Fund:

- a. gives a true and fair view of the Trust's financial position as at 30 September 2025 and of its performance for the year ended on that date on accordance with the accounting policies described in Note 1; and
- b. complies with Australian Accounting Standards to the extent described 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 Trust in accordance with the 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the unit holders' financial reporting responsibilities under the Unit Trust Deed. As a result, the financial report may not be suitable for another purpose.

Responsibilities of the Directors for the Financial Report

The trustees of the Trust are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and for such internal control as the unit holders 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 unit holders are responsible for assessing the ability of the Trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the unit holders either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

**Independent Audit Report
To The Trustees of Plumbing and Pipe Trades Entitlement Fund Limited ATF
Plumbing and Pipe Trades Entitlement Fund (cont'd)**

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.



Stannards Accountants and Advisors



Michael B Shulman
Director

Dated: 1st December 2025

**Auditor's Independence Declaration under Section 307C of the Corporations Act 2001
To the Directors of Plumbing and Pipe Trades Entitlement Fund Limited ATF
Plumbing and Pipe Trades Entitlement Fund**

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2025 there have been: –

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.



Stannards Accountants & Advisors



Michael B Shulman
Director

Dated: 1st December 2025