

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)
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BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

**Directors' Report
For the year ended 30 June 2025**

The Building Unions Superannuation Scheme (Queensland) ("the Fund") is a public offer superannuation fund domiciled in Australia. The Trustee of the Fund is BUSS (Queensland) Pty Ltd ("the Trustee").

The directors of the Trustee present their report, together with the financial statements of the Fund for the year ended 30 June 2025.

Directors

The following persons held office as directors of the Trustee:

Name		Position	Term as Director
Christopher Taylor	Chair	Employer Representative	Full financial year
Geoffrey Baguley	Director	Employer Representative	Full financial year
Paul Hick	Director	Employer Representative	Full financial year
Linda Vickers	Director	Member Representative	Full financial year
Benjamin Young	Director	Employer Representative	Full financial year
Emma Eaves	Director	Member Representative	Full financial year
Jacqueline Collie	Director	Member Representative	Ceased 12 September 2024
Michael Ravbar	Director	Member Representative	Ceased 12 September 2024
Hemal Patel	Director	Member Representative	Appointed 12 September 2024
Paul Dunbar	Director	Member Representative	Appointed 12 September 2024

Principal activities

During the financial year the principal continuing activities of the Fund consisted of providing superannuation, retirement and insurance benefits to its members and other beneficiaries.

Review of operations and results

Net assets available to members as at 30 June 2025 grew from \$6.69 billion (30 June 2024) to \$7.41 billion as a result of strength in equity markets, and continuing contributions from active members.

On 13 August 2024, Australian Prudential Regulation Authority (APRA) imposed additional licence conditions on BUSS (Queensland) Pty Ltd, as Trustee for The Building Unions Superannuation Scheme (Queensland) (BUSSQ) regarding a review of fitness and propriety processes and certain fund expenditure decisions. On 15th and 16th October 2024, the Federal Court of Australia in NSW heard BUSS (Queensland) Pty Ltd's application regarding APRA's decision to impose additional licence conditions on the trustee. The judgement handed down by the Federal Court of Australia on 31 January 2025 did not rule on the application and an appeal was lodged. Subsequently APRA varied the original additional licence conditions on the 12 March 2025, with an independent third party to conduct a review. The Trustee appointed KPMG to conduct this Independent Review to confirm whether the Trustee satisfied the relevant prudential standards and statutory framework for fitness and propriety and how the Trustee was meeting the Best Financial Interest Duty (BFID) requirements relating to specific payments to the CFMEU.

On 20 June 2025, BUSSQ published the findings of the Independent Review. This review found that all Directors are, and remain, Fit and Proper. The report further found that payments to CFMEU for arrears and directors' fees were made for the sound management of BUSSQ's business and sponsorship payments were made consistent with a view they were in the sound management of BUSSQ's business operations. Recommendations and enhancements for improvement were made, and the Trustee agreed to develop an uplift plan. On 22 August 2025, BUSSQ released its Uplift Plan, which has been approved by the Board and submitted to APRA. KPMG will provide an Uplift Report once the findings have been addressed to provide independent Third-Party Assurance. The associated legal costs related to the Federal Court of Australia application have been included in the Trustee Expenses of the Statement of Profit and Loss. The Trustee will seek to recover these costs to the extent permissible under the relevant insurance agreements.

The result from superannuation activities after income tax for the year ended 30 June 2025 was a net loss of \$8,473,352 (2024: profit of \$359,454).

Investment Performance

The Fund's MySuper default option investment return in FY25 was 10.09% and 12.43% for the default Income Account option. The investment strategy implemented by the Trustee this financial year was to hold a relatively defensive position as share markets (particularly US markets) looked overvalued. When markets sold off globally in April, the Fund's investment in US, Global and Australian shares was increased, as part of the Trustee's investment strategy. This decision led to a significant improvement in the Fund's financial year returns across the Fund's diversified options.

The Trustee takes a mid to long term view in setting its investment strategy in line with the needs of Fund members to aim for competitive long term investment performance outcomes. Additionally, BUSSQ's MySuper product has successfully met the requirements of the MySuper Performance Test conducted by the Australian Prudential Regulation Authority (APRA) for the year ended 30 June 2025.

Membership

The Fund's membership as at 30 June 2025 was 72,567, a slight decrease from the prior year (2024: 74,029). Member service excellence is a key cultural driver at BUSSQ, and a point of difference within the Fund's strategy. Last financial year, BUSSQ Member Service Promise was launched, and the Fund serviced members and prospective members at their workplaces, conducted monthly retirement ready seminars, and executed on the BUSSQ Retirement Income Strategy through the Fund's member engagement and financial advice model. Funds under management in the income account product increased from \$584 million to \$668 million.

Significant changes in state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Fund that occurred during the financial year ended 30 June 2025.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect:

- The operations of the Fund in future financial years, or
- The results of those operations in future financial years, or
- The state of affairs of the Fund in future financial years.

Likely developments and expected results of operations

The Fund will continue to be managed in accordance with the provisions of the Trust Deed.

The results of the Fund's operations will be affected by a number of factors, including the performance of investment markets in which the Fund invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Directors' Report

For the year ended 30 June 2025

Environmental regulation and performance

The operations of the Fund are not subject to any particular or significant environmental regulations under Commonwealth, State or Territory law.

Remuneration Report

The directors of the Trustee present the Remuneration Report for the Fund for the year ended 30 June 2025. The Remuneration Report forms part of the Directors' Report and has been audited in accordance with section 300C of the Corporations Act 2001. The Remuneration Report details the remuneration arrangements for the Key Management Personnel (KMP) directly or indirectly, who have authority and responsibility for planning, directing and controlling the major activities of the Fund. For the Fund this includes:

- Directors of BUSS (Queensland) Pty Ltd, the Trustee for the Fund; and
- Certain senior executives of BUSS (Queensland) Pty Ltd who meet the definition of KMP above

Unless otherwise noted, all KMP listed below held their positions for the entirety of the year ended 30 June 2025.

(a) KMP covered in this report

(i) Directors of the Trustee

Mr Christopher Taylor (Chairperson of the Board)	Ms Emma Eaves
Ms Linda Vickers	Mr Hemal Patel (appointed on 12/09/2024)
Mr Benjamin Young	Mr Paul Dunbar (appointed on 12/09/2024)
Mr Geoffrey Baguley	Ms Jacqueline Collie (ceased on 12/09/2024)
Mr Paul Hick	Mr Michael Ravbar (ceased on 12/09/2024)

(ii) Other KMP

Name	Role
Damian Wills	Chief Executive Officer
Peter Laity	Chief Investment Officer
Lisa Cumberland	Executive Manager, Governance, Risk and Compliance
Carolyn Bartsch	Executive Manager, Marketing, Brand & Communications
Matthew Forrest	Executive Manager, Fund Operations
Leigh Mackay	Executive Manager, Member Engagement
Sean Mok	Executive Manager, IT & Information Security (appointed on 1/02/2025)

(b) Remuneration expenses for KMP

The following table shows details of the remuneration expense recognised for the Fund's KMP for the current year measured in accordance with the requirements of the accounting standards.

(i) Directors of the Trustee

The directors of the Trustee are appointed by its shareholders - Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland (CFMEU) in respect of its State Construction and General Division and the Queensland Master Builders Association, Industrial Organisation of Employers (MBAQ), subject to meeting legislative requirements. Each shareholder appoints half of all directors. Directors' fees are based on comparable positions in other superannuation fund trustees and the financial services sector more broadly. The fees payable to individual directors may be delivered as a combination of cash and superannuation at the directors' discretion (subject to minimum Superannuation Guarantee requirements).

Directors do not receive performance-related incentives, long service leave or termination benefits. The Directors received a 4.5% increase in their fees for the year starting 1 July 2024.

Name	Director fee \$	Superannuation \$	Total fees paid to
Christopher Taylor	95,021	10,927	Director
Geoffrey Baguley	68,349	7,860	Director
Jacqueline Collie	13,744	1,605	CFMEU
Linda Vickers	68,349	7,860	Director
Michael Ravbar	13,744	1,605	CFMEU
Benjamin Young	63,359	7,286	Director
Emma Eaves	67,101	7,717	CFMEU
Paul Hick	67,101	7,717	Director
Hemal Patel	50,862	5,829	CFMEU
Paul Dunbar	50,862	5,829	CFMEU

(ii) Other KMP

Other KMP included the following senior executives and their remuneration is set out in the following table:

Name	Short-term benefits		Post-employment benefits	Long-term benefits:	Total
	Other ⁽¹⁾			Movement in Long Service Leave Provision	
	Salary & fees		Super		
	\$	\$	\$	\$	\$
Damian Wills	520,642	1,768	30,000	11,308	563,718
Peter Laity	451,382	-	30,000	7,640	489,022
Lisa Cumberland	270,875	-	30,000	4,763	305,638
Carolyn Bartsch	217,560	1,768	30,000	3,709	253,037
Matthew Forrest	255,850	-	30,000	4,523	290,373
Leigh Mackay	236,619	1,768	30,000	4,907	273,294
Sean Mok	95,912	-	12,115	1,447	109,474

(1) refers to income protection insurance premiums paid for income protection policies offered to these KMP.

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Directors' Report

For the year ended 30 June 2025

(b) Remuneration expenses for KMP (continued)

(ii) Other KMP (continued)

Fixed remuneration

Fixed remuneration consists of base salary, superannuation and other non-monetary benefits and is designed to reward for:

- The scope of the executive's role
- The executive's skills, experience and qualifications
- Individual performance

Remuneration agreements for executives are set out in employment contracts, and reviewed with reference to comparable roles at similar funds.

All executives are employed on open-ended contracts which define the terms of their employment.

The Board has determined that an average % increase will be applied for the year ended 30 June 2025, and superannuation will be paid at a rate of 15%. This was determined with reference to industry benchmark data and the performance of the Fund and each individual.

The Remuneration Report is complete.

Audit and non-audit services

Details of the amounts paid or payable to the RSE auditor of the Fund and its controlled entities (Ernst & Young Australia) for audit and non-audit services during the year are disclosed in Note 14 Auditor's remuneration.

The Trustee may decide to employ the RSE auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Fund and/or the group are important.

The Board of the Trustee, in accordance with advice provided by the Audit and Risk Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the RSE auditor did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed by the Audit and Risk Committee to ensure they do not impact the impartiality and objectivity of the auditor, and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.



Director



Director

Dated at Brisbane this Friday the 26th of September 2025.



**Shape the future
with confidence**

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Auditor's Independence Declaration to the Directors of Building Unions Superannuation Scheme (Queensland)

As lead auditor for the audit of the financial report of Building Unions Superannuation Scheme (Queensland) for the financial year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Building Unions Superannuation Scheme (Queensland) and the entities it controlled during the financial year.

The Ernst & Young logo, featuring the company name in a stylized, handwritten-style script.

Ernst & Young

A handwritten signature in black ink, appearing to read 'John MacDonald'.

John MacDonald
Partner
Melbourne
26 September 2025

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Statement of Financial Position

As at 30 June 2025

		Consolidated		Parent entity	
	Note	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Assets					
Cash and cash equivalents	15	22,325	4,939	22,325	4,939
Receivables	5	1,037	5,366	14,788	12,539
Investments					
Cash and Short-term Deposits	4	61,113	104,021	36,436	70,153
Fixed Interest	4	654,939	436,198	-	-
Australian Equities	4	1,697,753	1,712,216	-	-
International Equities	4	2,156,795	1,818,557	-	-
Term Deposits	4	575,226	677,934	-	-
Derivative Assets	4	62,794	12,594	-	-
Infrastructure	4	949,496	872,051	-	-
Opportunistic Debt	4	410,206	390,839	-	-
Agriculture	4	303,242	295,962	-	-
Properties	4	483,254	428,116	-	-
International Private Equities	4	205,363	72,765	-	-
Pooled Superannuation Trust	4	-	-	7,406,515	6,666,111
Property, plant and equipment	6	432	659	432	659
Right of Use Asset	6	415	672	415	672
Deferred tax assets	11	448	4,975	448	480
Total assets		7,584,838	6,837,864	7,481,359	6,755,553
Liabilities					
Payables	7	(5,294)	(4,587)	(4,053)	(4,019)
Income tax payable		(20,675)	(18,218)	(68,827)	(60,513)
Deferred tax liabilities	11	(137,464)	(106,514)	-	-
Derivative Liabilities	4	(12,926)	(17,524)	-	-
Lease Liabilities	12	(413)	(675)	(413)	(675)
Total liabilities excluding member benefits		(176,772)	(147,518)	(73,293)	(65,207)
Net assets available for member benefits		7,408,066	6,690,346	7,408,066	6,690,346
Member benefits					
Allocated to members		(7,390,167)	(6,663,694)	(7,390,167)	(6,663,694)
Unallocated to members		(312)	(593)	(312)	(593)
Total member liabilities	3	(7,390,479)	(6,664,287)	(7,390,479)	(6,664,287)
Net assets		17,587	26,059	17,587	26,059
Equity					
Administration reserve	10	(17,683)	(16,970)	(17,683)	(16,970)
Investment reserve	10	18,515	7,826	18,515	7,826
Operational risk reserve	10	(18,419)	(16,915)	(18,419)	(16,915)
Total equity		(17,587)	(26,059)	(17,587)	(26,059)

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

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Income Statement

For the year ended 30 June 2025

		Consolidated		Parent entity	
	Note	2025	2024	2025	2024
		\$ '000	\$ '000	\$ '000	\$ '000
Superannuation activities					
Interest		44,967	36,910	3,130	3,080
Distribution and Dividend Income		186,605	163,464	2	2
Changes in assets measured at fair value	8	546,337	276,196	682,476	427,033
Other investment income		3,116	2,643	2	-
Other income		35	636	35	636
Total superannuation activities income		781,060	479,849	685,645	430,751
Investment expenses		(28,978)	(23,246)	(16)	(16)
Administration and operating expenses	13	(26,921)	(22,553)	(23,922)	(21,057)
Other expenses		(4,531)	(4,420)	(4,531)	(4,420)
Total expenses		(60,430)	(50,219)	(28,469)	(25,493)
Net result from superannuation activities		720,630	429,630	657,176	405,258
Operating Result		720,630	429,630	657,176	405,258
Less: Net (benefits) / losses allocated to members' accounts		(673,226)	(412,158)	(673,226)	(412,158)
Operating result before income tax		47,404	17,472	(16,050)	(6,900)
Income tax expense / (benefit)	11	55,876	17,113	(7,578)	(7,259)
Operating result after income tax		(8,472)	359	(8,472)	359

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

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)**Statement of Changes in Member Benefits****For the year ended 30 June 2025**

	Consolidated		Parent entity	
	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Opening balance of member benefits	6,664,287	6,065,286	6,664,287	6,065,286
Contributions:				
Employer	492,148	435,210	492,148	435,210
Member	69,767	55,883	69,767	55,883
Transfer from other superannuation plans	117,814	181,078	117,814	181,078
Government co-contributions	205	241	205	241
Income tax on contributions	(77,265)	(68,320)	(77,265)	(68,320)
Net after tax contributions	602,669	604,092	602,669	604,092
Benefits to members/beneficiaries	(547,352)	(411,146)	(547,352)	(411,146)
Insurance premiums charged to members' accounts	(25,653)	(25,271)	(25,653)	(25,271)
Death and disability insurance benefits credited to members' accounts	23,302	19,168	23,302	19,168
Benefits allocated to members' accounts, comprising:				
Net investment income	679,986	418,847	679,986	418,847
Administration fees	(6,760)	(6,689)	(6,760)	(6,689)
Closing balance of member benefits	7,390,479	6,664,287	7,390,479	6,664,287

The above statement of changes in member benefits should be read in conjunction with the accompanying notes.

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Statement of Changes in Reserves For the year ended 30 June 2025

Consolidated

	Administration reserve \$ '000	Investment reserve \$ '000	Operational risk reserve \$ '000	Total equity \$ '000
Opening balance as at 1 July 2024	16,970	(7,826)	16,915	26,059
Other net transfers (to)/from reserves	(784)	-	784	-
Operating result	1,497	(10,689)	720	(8,472)
Closing balance as at 30 June 2025	17,683	(18,515)	18,419	17,587

	Administration reserve \$ '000	Investment reserve \$ '000	Operational risk reserve \$ '000	Total equity \$ '000
Opening balance as at 1 July 2023	22,282	(10,168)	13,586	25,700
Other net transfers (to)/from reserves	(2,675)	-	2,675	-
Operating result	(2,637)	2,342	654	359
Closing balance as at 30 June 2024	16,970	(7,826)	16,915	26,059

Parent entity

	Administration reserve \$ '000	Investment reserve \$ '000	Operational risk reserve \$ '000	Total equity \$ '000
Opening balance as at 1 July 2024	16,970	(7,826)	16,915	26,059
Other transfers (to)/from reserves	(784)	-	784	-
Operating result	1,497	(10,689)	720	(8,472)
Closing balance as at 30 June 2025	17,683	(18,515)	18,419	17,587

	Administration reserve \$ '000	Investment reserve \$ '000	Operational risk reserve \$ '000	Total equity \$ '000
Opening balance as at 1 July 2023	22,282	(10,168)	13,586	25,700
Other transfers (to)/from reserves	(2,675)	-	2,675	-
Operating result	(2,637)	2,342	654	359
Closing balance as at 30 June 2024	16,970	(7,826)	16,915	26,059

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

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Statement of Cash Flows

For the year ended 30 June 2025

		Consolidated		Parent entity	
	Note	2025	2024	2025	2024
		\$ '000	\$ '000	\$ '000	\$ '000
Cash flows from operating activities					
Interest received		44,967	36,910	3,130	3,080
Distributions from unit trusts		194,069	163,462	-	-
Dividends		2	2	2	2
Insurance proceeds		18,772	14,748	18,772	14,748
Other general administration expenses		(25,800)	(21,722)	(25,700)	(21,656)
Other income		80	2,841	80	197
Investment expenses		(28,978)	(23,480)	(16)	(16)
Insurance premiums		(25,681)	(25,662)	(25,681)	(25,662)
Income tax (paid) / received		(17,940)	12,175	15,925	18,438
Net cash inflows / (outflows) from operating activities	15	<u>159,491</u>	<u>159,274</u>	<u>(13,488)</u>	<u>(10,869)</u>
Cash flows from investing activities					
Purchase of investments		(2,936,301)	(1,178,659)	(24,209)	(190,038)
Proceeds from sale of investments		2,739,113	818,478	-	-
Purchase of fixed assets		(94)	(115)	(94)	(115)
Sale of fixed assets		171	14	171	14
Net cash (outflows) / inflows from investing activities		<u>(197,111)</u>	<u>(360,282)</u>	<u>(24,132)</u>	<u>(190,139)</u>
Cash flows from financing activities					
Employer contributions		492,148	435,210	492,148	435,210
Member contributions		69,767	55,884	69,767	55,884
Transfers from other superannuation plans received		117,814	181,078	117,814	181,078
Government co-contributions received		205	241	205	241
Benefits paid to members		(547,352)	(411,146)	(547,352)	(411,146)
Lease interest payment		1	(8)	1	(8)
Payment of principal portion of lease liabilities		(311)	(281)	(311)	(281)
Income tax paid on contributions received		(77,265)	(68,320)	(77,265)	(68,320)
Net cash inflows from financing activities		<u>55,007</u>	<u>192,658</u>	<u>55,007</u>	<u>192,658</u>
Net increase / (decrease) in cash		17,387	(8,350)	17,387	(8,350)
Cash at the beginning of the financial period		4,938	13,288	4,938	13,288
Cash at the end of the financial period	15	<u><u>22,325</u></u>	<u><u>4,938</u></u>	<u><u>22,325</u></u>	<u><u>4,938</u></u>

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

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements

For the year ended 30 June 2025

1. Operation of the Scheme

The Building Unions Superannuation Scheme (Queensland) ("the Fund") was established on 30 November 1984.

Place of establishment:	Australia
Domicile:	Australia
Type of fund:	Public offer defined contribution
Nature of industry:	Building and construction in Australia
Basis of employer contributions:	At rates specified under the relevant legislation and agreements
Basis of member contributions:	Voluntary
Insurance coverage:	Available for all members
Administrator:	Australian Administration Services Pty Ltd

The Trustee of the Fund is BUSS (Queensland) Pty Ltd. In accordance with the amendments to the Superannuation Industry Act 1993 the Trust was registered with the Australian Prudential Regulation Authority on the 2nd of June 2006 (registration no R1055870). The registered office and the principal place of business of the Fund is located at:

Ground Floor
299 Coronation Drive, Milton QLD 4064

Employees

The number of employees of BUSS (Queensland) Pty Ltd was 54 in 2025 and 46 in 2024. Compensation paid to employees of BUSS (Queensland) Pty Ltd is paid from the Fund in respect of the performance of their duties for the consolidated entity.

2. Summary of material accounting policies

(a) Basis of preparation

The financial statements are general purpose financial statements which have been prepared in accordance with AASB 1056 Superannuation Entities, all other applicable Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board, the Superannuation Industry (Supervision) Act 1993 and regulations and the provisions of the Trust Deed.

The financial statements were authorised for issue by the directors of the trustee company on 26th of September 2025.

Assessment as an investment entity

Entities that meet the definition of an investment entity within AASB 10 are required to measure their subsidiaries at fair value through profit or loss rather than consolidate them. The criteria which define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Fund's product disclosure statement details its objective of providing services to members which includes investing in equities, fixed income securities and private equity for the purpose of returns in the form of investment income and capital appreciation.

The Trustee has concluded that the Fund meets the definition of an investment entity, and as such, investments in subsidiaries should be measured at fair value through profit or loss without preparing consolidated financial statements. The Parent column of the financial statements is prepared under this basis of preparation. Therefore, as per Australian Accounting Standards no consolidated financial statements should be prepared for the entity. Notwithstanding this, to aid transparency and to provide users a better understanding of the composition of the underlying investments within the PST, the Consolidated column has also been presented as non-GAAP financial information on the assumption that the entity is not an investment entity.

(b) New accounting standards and interpretations

Accounting Standards and Interpretations issued but not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2025 and have not been adopted early in preparing these financial statements. These new standards and amendments, when applied in the future periods, are not expected to have a material impact on the financial statements of the Fund except for AASB 18 Presentation and Disclosure in Financial Statements (AASB 18). AASB 18 was issued in June 2024 replacing AASB 101 Presentation of Financial Statements (AASB 101) and will be effective for the Fund from 1 January 2027. The standard has been issued to improve how entities communicate their results within the financial statements, with a particular focus on information about financial performance in the income statement. The key presentation and disclosure requirements are:

- The presentation of newly defined categories of income and expenses and subtotals in the income statement.
- The disclosure of management-defined performance measures; and
- Enhanced guidance on the grouping of information.

The Fund is currently assessing the impact of this standard. The Fund will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 30 June 2026 will be restated in accordance with AASB 18.

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements

For the year ended 30 June 2025

2. Summary of material accounting policies (continued)

(c) Consolidation

As per Australian Accounting Standards no consolidated financial statements should be prepared for the entity as the entity is an investment entity. However, the entity presents consolidated column as an additional non-GAAP financial information on the assumption that the entity is not an investment entity.

The consolidated column incorporates the assets, liabilities, income and expenses of the fund and the BUSS(Q) Pooled Superannuation Trust ("the PST") which is controlled by the entity, after eliminating all intercompany transactions, balances and unrealised gain losses on those transactions.

(d) Financial assets and liabilities

(i) Classification

For the purposes of satisfying the requirements of AASB 9 Financial Instruments, the Fund classifies its financial assets and financial liabilities into the categories below:

Financial assets and liabilities held for trading:

These assets are acquired principally for the purpose of generating a profit from short-term fluctuation in price. All changes in the fair value of instruments held for trading are recognised through profit or loss in the Income Statement.

The Financial Assets and Liabilities, of the fund are recorded at FVTPL as required by AASB 1056 Superannuation Entities.

All derivatives are classified as held for trading. Derivative financial instruments entered into by the Fund do not meet the hedge accounting criteria as defined by AASB 9 or AASB 139. Consequently, hedge accounting is not applied by the Fund and all changes in the fair value of derivatives are recognised through profit or loss in the Income Statement.

Financial instruments designated at fair value through profit or loss upon initial recognition:

These financial assets are designated on the basis that they are part of a group of financial assets which are managed and have their performance evaluated on a fair value basis in accordance with risk management and investment strategies of the Fund.

(ii) Recognition/derecognition

The Fund recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises the changes in the fair value of the financial assets or liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments have expired or the Fund has transferred substantially all the risks and rewards of ownership.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Fund includes short-term receivables in this category.

(iii) Measurement

At initial recognition, the Fund measures its financial assets and financial liabilities at fair value. Subsequent to initial recognition, all gains and losses on financial assets and liabilities at fair value profit or loss are recognised in the Income Statement in the period they arise. Transaction costs for financial assets and financial liabilities carried at fair value through profit or loss are expensed in the Income Statement.

(e) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Fund.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. Please refer to Note 4.

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements

For the year ended 30 June 2025

2. Summary of material accounting policies (continued)

(f) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

(g) Receivables and payables

Receivables are carried at nominal amounts due which approximate fair value. Receivables are normally settled within 30 days.

(h) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

(i) Leases

Leases are recognised, measured and presented in line with AASB 16 Leases.

Valuation of right-of-use assets and lease liabilities

The application of AASB 16 requires the Fund to make judgements that affect the valuation of right-of-use assets (refer to Note 6) and the valuation of lease liabilities (refer to Note 12). These include determining contracts within the scope of AASB 16, determining the contract terms and determining the interest rate used for discounting of future cash flows.

The lease terms determined by the Fund comprise non-cancellable period of lease contracts, periods covered by an option to extend the lease if the Fund is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Fund is reasonably certain not to exercise that option. The lease terms are applied to determine the depreciation rate of right-of-use assets.

For leases with terms not exceeding twelve months and for leases of low-value assets, the Fund has exercised the optional exemptions. The lease payments under these contracts are recognised on a straight-line basis over the lease term as other operating expenses.

In all other leases in which the Fund acts as the lessee, the present value of future lease payments is recognised as a lease liability.

Correspondingly, the right-of-use asset is initially recognised within property, plant and equipment at the present value of the lease liability.

The present value of the lease liability is determined using the discount rate representing the weighted average incremental borrowing rate. The weighted average incremental borrowing rate for the leased liabilities initially recognised as of 1 November 2022 was 3.27% p.a, and for the remeasurement of lease liabilities recognised as of 1 November 2023 was 5.22%.

Where there has been a re-assessment of the lease term during the year, the Fund has re-measured the lease liabilities using a revised incremental borrowing rate as at the date of the lease modification.

The right-of-use asset is depreciated on a straight-line basis over the lease term or, if shorter, the useful life of the leased asset.

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements
For the year ended 30 June 2025

2. Summary of material accounting policies (continued)

(j) Revenue recognition

Interest revenue

Interest revenue on cash and other financial assets carried at fair value is recorded according to the terms of the contract and is recognised in the income statement.

Distribution and dividend revenue

Dividend and distribution revenue is recognised when the Fund's right to receive payment is established. Revenue is presented gross of any non-recoverable withholding taxes, which are disclosed separately as tax expense in the income statement.

(k) Income tax

The Fund is a complying superannuation fund for the purposes of the provisions of the Income Tax Assessment Act 1997. Accordingly, the concessional tax rate of 15% has been applied to the Fund's taxable income.

Income tax in the income statement for the year comprises current and deferred tax.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences except:

- Where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised, except:

- Where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements
For the year ended 30 June 2025

2. Summary of material accounting policies (continued)

(l) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- When the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable; or
- When receivables and payables are stated with the amount of GST included.

The net amounts of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing activities, which is recoverable from, or payable to the taxation authority are classified as operating cash flows.

(m) Foreign currency

The functional and presentation currency of the Fund is Australian Dollars, which is the currency of the primary economic environment in which it operates. The Fund's performance is evaluated and its liquidity managed in Australian Dollars. Therefore, the Australian Dollar is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

Transactions in foreign currencies are initially recorded at the functional currency spot rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in a previous financial report, are recognised in the income statement in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(n) Member liabilities

Member liabilities are measured at the amount of accrued benefits. Member liabilities are measured as the amount of member account balances as at the reporting date.

(o) Reserves

The Trustee maintains a number of reserves in the Fund for the benefit of members.

Administration reserve

The Administration reserve is separately maintained to manage the operations of the Fund and ensure current and future liabilities can be met.

Investment reserve

The Investment reserve is held to reflect Investment market movements prior to it being allocated to members through unit pricing. In September 2025, an investment devaluation was received prior to the signing of the accounts and is included in the Investment reserve.

Operational risk reserve (ORFR)

The Fund maintains an Operational risk reserve, in accordance with the requirements established by the Australian Prudential Regulatory Authority under Prudential Standard SPS 114 Operational Risk Financial Requirement, and also holds an Administration reserve. The purpose of these additional reserves is set out in Note 10.

The purpose of the Operational risk reserve (ORFR) in the parent entity is to provide protection to the Fund in the event that a loss is incurred from an operational risk event occurring. The use of the Operational risk reserve is governed by the requirements of SPS 114, which is applicable to all APRA-regulated funds. The current Operational risk reserve of the parent entity represents 0.25% (2024: 0.25%) of the net assets available for members benefits. The Trustee intends to maintain a target ORFR percentage of 0.25%, and replenish when it falls 10% or more below the target amount.

(p) Rounding

The Fund is an entity to which ASIC Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191 dated 24 March 2016 applies and pursuant to that instrument, all financial information presented has been rounded to the nearest one thousand dollars unless otherwise stated.

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)
Notes to the Financial Statements
For the year ended 30 June 2025

2. Summary of material accounting policies (continued)

(q) Comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. This includes adjustments for rounding as adopted for the Fund from this financial report onwards.

(r) Significant accounting judgements and estimates and assumptions

The preparation of the Fund's financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future.

Fair Value of Investments

When the fair values of the investments recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model (DCF model). The inputs in these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required to establish fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Changes in assumptions about these factors could affect the reported fair value of these investments.

3. Member liabilities

Member account balances are determined by unit prices that are determined based on the underlying investment movements.

Members bear the investment risk relating to the underlying assets and unit prices used to measure the member liabilities. Unit prices are updated daily.

At 30 June 2025 \$314k (2024: \$593k) has not been allocated to members at balance date. The amount not yet allocated to members' accounts consists of contributions received by the Fund that have not been able to be allocated to members as at balance date.

Refer to Note 19 for the Fund's management of the investment risks.

Member liabilities vest 100% to members.

	2025	2024
	\$ '000	\$ '000
Members liability at end of the financial year	<u>7,390,479</u>	<u>6,664,287</u>
As compared to net assets available to pay benefits	<u>7,408,066</u>	<u>6,690,346</u>

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements

For the year ended 30 June 2025

4. Fair value of financial instruments

(a) Classification of financial instruments under the fair value hierarchy

AASB 13 requires disclosures relating to fair value measurements using a three-level fair value hierarchy. The level within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. Assessing the significance of a particular input requires judgement, considering factors specific to the asset or liability. The following table shows financial instruments recognised at fair value, categorised between those whose fair value is based on:

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

The level in which instruments are classified in the hierarchy is based on the lowest level input that is significant to the fair value measurement in its entirety. Assessment of the significance of an input requires judgement after considering factors specific to the instrument.

Consolidated

	30 June 2025			
	Level 1 \$ '000	Level 2 \$ '000	Level 3 \$ '000	Total \$ '000
Cash and Short-term Deposits	-	61,113	-	61,113
Fixed Interest	-	654,939	-	654,939
Australian Equities	1,632,181	58,101	7,471	1,697,753
International Equities	1,490,499	657,845	8,451	2,156,795
Term Deposits	-	575,226	-	575,226
Derivative Assets	6,978	55,710	106	62,794
Derivative Liabilities	(249)	(12,677)	-	(12,926)
Infrastructure*	-	77,213	872,283	949,496
Opportunistic Debt*	-	323,413	86,793	410,206
Agriculture*	-	61	303,181	303,242
Properties*	-	3,391	479,863	483,254
International Private Equities*	-	41,846	163,517	205,363
Total investments	3,129,409	2,496,181	1,921,665	7,547,255

Parent Entity

	30 June 2025			
	Level 1 \$ '000	Level 2 \$ '000	Level 3 \$ '000	Total \$ '000
Cash and Short-term Deposits	-	36,436	-	36,436
Pooled Superannuation Trust-BUSS(Q)	-	7,406,515	-	7,406,515
Total investments	-	7,442,951	-	7,442,951

Consolidated

	30 June 2024			
	Level 1 \$ '000	Level 2 \$ '000	Level 3 \$ '000	Total \$ '000
Cash and Short-term Deposits	-	104,021	-	104,021
Fixed Interest	-	436,198	-	436,198
Australian Equities	1,662,248	49,968	-	1,712,216
International Equities	1,315,739	500,849	1,969	1,818,557
Term Deposits	-	677,934	-	677,934
Derivative Assets	204	12,390	-	12,594
Derivative Liabilities	(1,698)	(15,826)	-	(17,524)
Infrastructure*	-	52,027	820,024	872,051
Opportunistic Debt*	-	300,700	90,139	390,839
Agriculture*	-	2,502	293,460	295,962
Properties*	-	3,136	424,980	428,116
International Private Equities*	-	36,290	36,475	72,765
Total investments	2,976,493	2,160,189	1,667,047	6,803,729

Parent Entity

	30 June 2024			
	Level 1 \$ '000	Level 2 \$ '000	Level 3 \$ '000	Total \$ '000
Cash and Short-term Deposits	-	70,153	-	70,153
Pooled Superannuation Trust-BUSS(Q)	-	6,666,111	-	6,666,111
Total investments	-	6,736,264	-	6,736,264

*Exposure to this category is via investments in unlisted unit trusts and equities.

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements

For the year ended 30 June 2025

4. Fair value of financial instruments (continued)

(a) Classification of financial instruments under the fair value hierarchy (continued)

Valuation technique

Listed equities

When fair values of publicly traded equity securities are based on quoted market prices, in an active market for identical assets without any adjustments, the instruments are included within Level 1 of the hierarchy. Where the valuation of a listed equity is adjusted for factors not observable, for example, uncertainties in the marketability of the investment, then the equities are classified at Level 3. The Fund values these investments at bid price for long positions and ask price for short positions.

Parent's investment in the Pooled Superannuation Trust

The Fund as Parent Entity is the sole investor in the Pooled Superannuation Trust. The value of the Fund's investment is the entirety of the Net Assets of the Pooled Superannuation Trust, with no adjustment, which are measured at fair value through profit or loss. As applicable through this report, the Consolidated disclosures present the investments made within the Trust in all notes and the Consolidated Statement of Financial Position.

Listed unit trusts including listed property trusts

Similar to the listed equities described above, the pricing of the Fund's investments in listed unit trusts are based on quoted market prices in the primary active market, without any adjustments.

Unlisted unit trusts including unlisted property and infrastructure trusts

The Fund invests in these trusts which are not quoted in an active market, and which may be subject to restrictions on redemptions such as lock up periods, redemption gates and side pockets. The Fund considers the valuation techniques and inputs used in valuing these funds as part of its due diligence prior to investing, to ensure they are reasonable and appropriate and therefore the NAV of these funds may be used as an input into measuring their fair value. In measuring this fair value, the NAV of the funds is adjusted, as necessary, to reflect restrictions on redemptions, future commitments, and other specific factors of the fund and fund manager. In measuring fair value, consideration is also paid to any transactions in the shares of the fund. Depending on the nature and level of adjustments needed to the NAV and the level of trading in the fund, the Fund classifies these funds as Level 2 or Level 3.

Fixed interest securities

When possible, prices are derived using binding dealer price quotations. If such quotations are not available, prices are derived through evaluations based on observable inputs by pricing providers at the custodian and reported to the Fund daily.

Cash and short-term deposits, and term deposits

The carrying value for all such investments is determined to be a reasonable estimate for the fair value of these investments. These investments are at-call and variable rate investments (Cash and short-term deposits), or of a fixed rate and fixed term nature, with the material proportion of these maturing within six months of the balance date.

Property

The Fund does not directly manage investment property, investing instead in listed and unlisted property trusts during the financial year.

Derivative assets and liabilities

Fixed interest futures quoted on active public exchanges have been disclosed within Level 1 in the fair value hierarchy. For the Fund's other derivative assets and liabilities, the Fund uses widely recognised valuation models for determining fair values of over-the-counter interest rate swaps, currency swaps and forward foreign exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including both credit and debit valuation adjustments for counterparty and own credit risk, foreign exchange spot and forward rates and interest rate curves. For these financial instruments, significant inputs into models are market observable and are included within Level 2. Options with their value derived in regard to the share price of a privately held equity are classified at Level 3.

Unlisted equities

The Fund generally values interests in Level 3 assets managed by external investment managers with reference to the valuation provided by the external investment manager. The Fund, through the Internal Investment Valuation Assurance Committee, reviews the valuation adopted and considers the key inputs and assumptions used to determine the valuation.

Valuation process for Level 3 valuations

Valuations are the responsibility of the Trustee.

For financial instruments classified in Level 3 in the fair value hierarchy some of the inputs to the valuation models are unobservable and therefore subjective in nature. The use of reasonably possible alternative assumptions could produce a different net market value measurement. The Fund's Internal Investment Valuation Assurance Committee has assessed and considered the Level 3 valuations for consistency and outliers for the financial year ended 30 June 2025.

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements

For the year ended 30 June 2025

4. Fair value of financial instruments (continued)
(a) Classification of financial instruments under the fair value hierarchy (continued)

Valuation process for Level 3 valuations (continued)

Quantitative information of significant unobservable inputs - Level 3:

Description	Level 3 \$ '000	Valuation Technique	Significant Unobservable Inputs	Range (Weighted Average)
Agriculture	2025: 290,247	Discounted Cash Flow method	Discount rate	7.7% - 14.5% (WA: 13.2%)
	2025: 12,934	Net Asset Value	Redemption value	N/A
	2024: 277,731	Discounted Cash Flow method	Discount rate	8.5% - 14.5% (WA: 13.0%)
Infrastructure	2024: 15,729	Net Asset Value	Redemption value	N/A
	2025: 786,726	Discounted Cash Flow method	Discount rate	7.5 - 14.25% (WA: 9.7%)
	2025: 85,557	Net Asset Value	Redemption value	N/A
Australian Equities	2024: 820,024	Discounted Cash Flow method	Discount rate	7.65 - 13.0% (WA: 9.6%)
	2025: 7,471	Option pricing model	Transaction probability	N/A
	2025: 8,451	Various incl. comparable transactions, option pricing and relative valuation models		N/A
International Equities	2024: 1,969			N/A
	2025: 106	Option pricing model	Underlying price/volatility	N/A
	2025: 163,517	Net Asset Value	Redemption value	N/A
Derivatives	2024: 36,475	Net Asset Value	Redemption value	N/A
	2025: 479,863	Discounted Cash Flow method	Discount rate	5.1% - 8.5% (WA: 5.9%)
	2024: 424,980	Discounted Cash Flow method	Discount rate	5.0% - 8.0% (WA: 5.9%)
International Private Equities	2025: 86,793	Net Asset Value	Redemption value	N/A
	2024: 90,139	Net Asset Value	Redemption value	N/A

Sensitivity analysis to significant changes in unobservable inputs within Level 3 hierarchy:

Description	Significant Unobservable Inputs	Sensitivity used	Effect on fair value \$ '000
Agriculture	Discount rate	2025: + / - 5%	14,512 / (14,512)
	Discount rate	2024: + / - 5%	13,887 / (13,887)
Infrastructure	Discount rate	2025: + / - 5%	42,189 / (42,189)
	Discount rate	2024: + / - 5%	41,001 / (41,001)
International Equities	Various	2025: + / - 5%	423 / (423)
	Various	2024: + / - 5%	98 / (98)
Properties	Discount rate	2024: + / - 5%	23,993 / (23,993)
	Discount rate	2024: + / - 5%	21,249 / (21,249)

(b) Level 3 reconciliation

Consolidated 30 June 2025	Opportunistic Debt \$ '000	Agriculture \$ '000	Equities \$ '000	Property \$ '000	Infrastructure \$ '000	Derivatives \$ '000	TOTAL \$ '000
Opening Balance	90,139	293,460	38,444	424,980	820,024	-	1,667,047
Realised/Unrealised (losses) / gains	(1,691)	(4,292)	44,236	9,807	75,577	106	123,743
Purchases/Applications	6,365	15,789	98,141	45,076	32,350	-	197,721
Sales/Redemptions	(8,020)	(1,776)	(2,436)	-	(55,668)	-	(67,900)
Transfers into Level 3	-	-	1,054	-	-	-	1,054
Closing Balance	86,793	303,181	179,439	479,863	872,283	106	1,921,665

Consolidated 30 June 2024	Opportunistic Debt \$ '000	Agriculture \$ '000	Equities \$ '000	Property \$ '000	Infrastructure \$ '000	Derivatives \$ '000	TOTAL \$ '000
Opening Balance	105,832	261,113	17,841	485,534	758,102	-	1,628,422
Realised/Unrealised gains / (losses)	1,280	8,930	(1,993)	(60,554)	15,403	-	(36,934)
Purchases/Applications	(16,973)	7,688	18,744	-	15,242	-	24,701
Sales/Redemptions	-	-	(78)	-	-	-	(78)
Transfers into Level 3	-	15,729	3,930	-	31,277	-	50,936
Closing Balance	90,139	293,460	38,444	424,980	820,024	-	1,667,047

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements
For the year ended 30 June 2025

4. Fair value of financial instruments (continued)

(c) Transfers Between Hierarchy Levels

Shareholdings in Opthea Limited (ASX:OPT) with a value of \$1.05m were transferred from Level 1 to Level 3 in the current year, as these shares were written down to \$0; below their published price quotation, due to uncertainty in the value recoverable for shareholders, including the Fund. These transfers are disclosed within Equities above.

5. Receivables

	Consolidated		Parent entity	
	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Recoverable within 12 months				
Investment sales proceeds receivable	-	4,187	-	-
GST receivable	181	183	181	183
Prepayments	377	537	335	413
Receivable from related entity				
BUSS(Q) Pooled Superannuation Trust	-	-	13,793	11,484
BUSS (Queensland) Pty Ltd	479	459	479	459
	<u>1,037</u>	<u>5,366</u>	<u>14,788</u>	<u>12,539</u>

Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value. The maximum exposure to credit risk is the fair value of the receivables. Information regarding credit risk exposure is set out in Note 19.

6. Property, plant and equipment

(i) Property, plant and equipment owned

Information about property, plant and equipment owned by the Fund is presented below:

	Consolidated		Parent entity	
	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Motor Vehicle				
Cost	438	433	438	433
Accumulated depreciation and impairment	(199)	(165)	(199)	(165)
	<u>239</u>	<u>268</u>	<u>239</u>	<u>268</u>
Office Equipment and Furniture				
Cost	333	2,018	333	2,018
Accumulated depreciation and impairment	(252)	(1,728)	(252)	(1,728)
	<u>81</u>	<u>290</u>	<u>81</u>	<u>290</u>
Computer Hardware				
Cost	311	267	311	267
Accumulated depreciation and impairment	(200)	(168)	(200)	(168)
	<u>111</u>	<u>99</u>	<u>111</u>	<u>99</u>
Computer Software				
Cost	7	7	7	7
Accumulated depreciation and impairment	(6)	(5)	(6)	(5)
	<u>1</u>	<u>2</u>	<u>1</u>	<u>2</u>
Net written down value	<u>432</u>	<u>659</u>	<u>432</u>	<u>659</u>

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Computer Software \$ '000	Computer Hardware \$ '000	Motor Vehicles \$ '000	Office Equipment \$ '000	Total \$ '000
Balance at 1 July 2023	2	91	308	324	725
Additions	-	46	45	24	115
Disposals	-	-	(14)	-	(14)
Depreciation	(1)	(38)	(71)	(58)	(168)
Balance at 30 June 2024	<u>1</u>	<u>99</u>	<u>268</u>	<u>290</u>	<u>658</u>
Additions	-	47	47	-	94
Disposals	-	-	(12)	(159)	(171)
Depreciation	-	(35)	(64)	(50)	(149)
Carrying amount at 30 June 2025	<u>1</u>	<u>111</u>	<u>239</u>	<u>81</u>	<u>432</u>

(ii) Right-of-use lease assets

The Fund entered into a three-year contract to lease office premises on 1 November 2022. Set out below are the carrying amounts of right-of-use assets recognised and their movements during the year.

	Consolidated		Parent entity	
	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Opening balance	672	900	672	900
Addition	46	54	46	54
Depreciation expense	(303)	(282)	(303)	(282)
Carrying amount	<u>415</u>	<u>672</u>	<u>415</u>	<u>672</u>

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)
Notes to the Financial Statements
For the year ended 30 June 2025

7. Payables

	Consolidated		Parent entity	
	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Due within 12 months				
Insurance premiums payable	2,275	2,303	2,275	2,303
Audit fees payable	-	60	-	60
Operating expenses payable	1,418	694	177	126
Administration expenses payable	467	420	467	420
Provision for employee benefits	1,002	1,038	1,002	1,038
Sundry creditors	132	72	132	72
	<u>5,294</u>	<u>4,587</u>	<u>4,053</u>	<u>4,019</u>

Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value. Information regarding interest rate, foreign exchange and liquidity risk exposure is set out in Note 19.

8. Changes in fair value of investments

	Consolidated		Parent entity	
	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Investments held at balance date				
BUSS(Q) Pooled Superannuation Trust	-	-	682,476	427,033
International Private Equities	48,531	(1,843)	-	-
Fixed Interest	16,830	2,477	-	-
Australian Equities	98,940	103,250	-	-
International Equities	214,693	156,457	-	-
Properties	9,807	(59,836)	-	-
Infrastructure	60,256	22,065	-	-
Derivatives	30,349	(7,010)	-	-
Agriculture	(2,318)	9,588	-	-
Opportunistic Debt	14,785	29,665	-	-
Total unrealised gains / (losses)	<u>491,873</u>	<u>254,813</u>	<u>682,476</u>	<u>427,033</u>
Investments realised during the year				
International Private Equities	(1,634)	578	-	-
Fixed Interest	4,160	3,375	-	-
Australian Equities	43,299	25,705	-	-
International Equities	47,383	(6,056)	-	-
Derivatives	(46,482)	(99)	-	-
Agriculture	(1)	57	-	-
Opportunistic Debt	4,037	(2,210)	-	-
Infrastructure	3,702	33	-	-
Total realised gains / (losses)	<u>54,464</u>	<u>21,383</u>	<u>-</u>	<u>-</u>
Change in fair value of investments	<u>546,337</u>	<u>276,196</u>	<u>682,476</u>	<u>427,033</u>

The amounts recorded as 'realised gains/(losses)' above is the difference between the fair value at sale and the carrying amount at the beginning of the reporting period or when acquired, if acquired during the year.

9. Funding arrangements

During the year ended 30 June 2025, employers contributed to the Fund on behalf of members as part of the Trust Deed, Award and Superannuation Guarantee Charge of 11.5% (2024: 11%). Member and additional employer contributions are paid to the Fund at a rate determined by the member and/or employer.

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements
For the year ended 30 June 2025

10. Reserves

	Consolidated		Parent entity	
	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Administration reserve	17,683	16,970	17,683	16,970
Investment reserve	(18,515)	(7,826)	(18,515)	(7,826)
Operational risk reserve	18,419	16,915	18,419	16,915
	<u>17,587</u>	<u>26,059</u>	<u>17,587</u>	<u>26,059</u>

The Trustee maintains an Administration reserve and an Operational risk reserve.

The purpose of the Administration Reserve is to fund the operations of the Fund and ensure that it can meet current and future liabilities. The reserve is funded by administration fees charged to members, and a margin on insurance premium used to fund insurance related administration costs.

The purpose of the Operational risk reserve in the parent entity is to provide protection to the Fund in the event that a loss is incurred from an operational risk event occurring. The use of the Operational risk reserve is governed by the requirements of SPS 114, which is applicable to all APRA-regulated funds.

The current Operational risk reserve of the parent entity represents 0.25% (2024: 0.25%) of the net assets available for members benefits. The Trustee intends to maintain a target ORFR percentage of 0.25%, and replenish when it falls 10% or more below the target amount.

The Operational risk reserve requirement target for the Pooled Superannuation Trust (PST) is 0.10% of the total Funds Under Management. As at 30 June 2025, the Operational risk reserve for the PST was \$7,368k (2024: \$6,766k).

11. Income tax

(a) Major components of income tax expense / (benefit) for the years ended 30 June 2025 and 2024:

	Consolidated		Parent entity	
	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Income statement				
<i>Current tax expense / (benefit)</i>				
Current tax charge / (benefit)	15,123	3,277	(8,437)	(7,807)
Adjustments in respect of current income tax of previous years	5,276	(7,936)	827	41
<i>Deferred tax</i>				
Relating to origination and reversal of temporary differences	35,477	21,772	32	507
Total tax expense / (benefit) as reported in the income statement	<u>55,876</u>	<u>17,113</u>	<u>(7,578)</u>	<u>(7,259)</u>

(b) Reconciliation between income
tax expense / (benefit)
and the operating result before
income tax:

Operating result from operating activities	47,404	17,474	(16,050)	(6,899)
Income tax at 15%	7,111	2,621	(2,408)	(1,035)
Taxable investment income per custodian	29,257	36,212	405	387
Unrealised gain/losses per custodian	29,492	21,472	-	-
Realised gain/losses per custodian	15,787	1,993	-	411
Unrealised income TOFA	9,219	1,276	-	-
Non-taxable investment income	(102,775)	(64,442)	(102,775)	(64,442)
Insurance premiums deductions	(3,848)	(3,791)	(3,848)	(3,791)
Non deductible investment expense	(11,020)	(4,673)	2	2
Non taxable benefits allocated to members	100,984	61,824	100,984	61,824
Assessable member contributions adjustment s290-170	(772)	(656)	(772)	(656)
Derecognition of temporary differences	14	6	14	6
Exempt pension income	(7,192)	(4,853)	(34)	(33)
Net imputation and foreign tax credits	(15,684)	(21,967)	-	-
Under/(Over) provision in the previous year	5,276	(7,936)	827	41
Trustee Fee	27	27	27	27
Income tax expense / (benefit) as reported in the income statement	<u>55,876</u>	<u>17,113</u>	<u>(7,578)</u>	<u>(7,259)</u>

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements
For the year ended 30 June 2025

11. Income tax (continued)**(c) Deferred Tax****Consolidated**

	Opening Balance \$ '000	2025 (Charged) / Credited to income \$ '000	Closing Balance \$ '000
Deferred tax assets			
Realised Capital loss	40	-	40
Fund expenses accrued but not incurred	4,935	(4,527)	408
Unrealised FFX losses on investments	-	-	-
	<u>4,975</u>	<u>(4,527)</u>	<u>448</u>
Deferred tax liabilities			
Income receivable	515	280	795
Unrealised (gains) / losses on investments	(107,029)	(31,230)	(138,259)
	<u>(106,514)</u>	<u>(30,950)</u>	<u>(137,464)</u>
Net deferred tax liability	<u>(101,539)</u>	<u>(35,477)</u>	<u>(137,016)</u>

Parent Entity

	Opening Balance \$ '000	2025 (Charged) / Credited to income \$ '000	Closing Balance \$ '000
Deferred tax assets			
Realised Capital loss	40	-	40
Fund expenses accrued but not incurred	440	(32)	408
	<u>480</u>	<u>(32)</u>	<u>448</u>
Deferred tax liabilities			
Unrealised (gains) / losses on investments	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net deferred tax asset	<u>480</u>	<u>(32)</u>	<u>448</u>

Consolidated

	Opening Balance \$ '000	2024 (Charged) / Credited to income \$ '000	Closing Balance \$ '000
Deferred tax assets			
Realised Capital loss	450	(410)	40
Fund expenses accrued but not incurred	4,996	(61)	4,935
	<u>5,446</u>	<u>(471)</u>	<u>4,975</u>
Deferred tax liabilities			
Income receivable	517	(2)	515
Unrealised (losses) / gains on investments	(85,728)	(21,301)	(107,029)
	<u>(85,211)</u>	<u>(21,303)</u>	<u>(106,514)</u>
Net deferred tax liability	<u>(79,765)</u>	<u>(21,774)</u>	<u>(101,539)</u>

Parent Entity

	Opening Balance \$ '000	2024 (Charged) / Credited to income \$ '000	Closing Balance \$ '000
Deferred tax assets			
Realised Capital loss	450	(410)	40
Fund expenses accrued but not incurred	537	(97)	440
	<u>987</u>	<u>(507)</u>	<u>480</u>
Deferred tax liabilities			
Unrealised (losses) / gains on investments	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net deferred tax asset	<u>987</u>	<u>(507)</u>	<u>480</u>

The Fund offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets.

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)
Notes to the Financial Statements
For the year ended 30 June 2025

12. Lease liabilities

	Consolidated		Parent entity	
	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Lease liabilities	413	675	413	675
Total lease liabilities	413	675	413	675

The Fund leases commercial office space at 299 Coronation Drive, Milton, Queensland.

13. Operating expenses

	Consolidated		Parent entity	
	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Fund administration expenditure	12,419	11,921	11,744	11,431
Office expenditure	539	525	539	525
Staff expenditure	9,073	7,899	8,416	7,257
Marketing, advertising & sponsorship	1,556	1,360	1,556	1,360
Trustee services expenses	3,334	848	1,667	484
	26,921	22,553	23,922	21,057

14. Auditors' remuneration

	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Ernst & Young:				
Audit of financial statements and compliance	177	167	97	95
Taxation	54	199	54	199
	231	366	151	294

15. Cash flow statement reconciliation

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Cash and cash equivalents	22,325	4,938	22,325	4,938

Reconciliation of net cash from operating activities to operating result after income tax

Operating result after income tax	(8,472)	359	(8,472)	359
Adjustments for:				
Increase in assets measured in fair value	(546,337)	(276,196)	(682,476)	(427,033)
Increase in investment expense	(16)	-	(16)	-
Movement in applications / redemptions	20	-	20	(70,566)
Depreciation and impairment	452	450	452	450
Decrease in insurance payable	(2,353)	(6,103)	(2,353)	(6,103)
Decrease / (increase) in receivables	4,329	(1,307)	(2,249)	69,013
Increase / (decrease) in payables	707	(141)	34	(326)
Increase / (decrease) in income tax payable	2,457	8,281	8,314	10,672
Increase / (decrease) in net deferred tax payable	35,478	21,773	32	507
Allocation to members' accounts	673,226	412,158	673,226	412,158
Net cash inflows / (outflows) from operating activities	159,491	159,274	(13,488)	(10,869)

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)**Notes to the Financial Statements****For the year ended 30 June 2025****16. Segment information**

The Fund operates solely in one reportable business segment, being the provision of superannuation benefits to members. The Fund also operates from one reportable geographic segment, being Australia, from where its activities are managed. Revenue is derived from interest, dividends, gains on the sale of investments and unrealised changes in the value of investments.

17. Related party disclosures**(a) Trustee and Key Management Personnel**

The Trustee of the Building Unions Superannuation Scheme (Queensland) is BUSS (Queensland) Pty Ltd (ABN 85 571 332 201), which as an RSE licensee fulfils the role of Key Management Personnel of the Fund.

The names of the directors of the trustee company, which are Key Management Personnel of the Trustee, who held office during part or all of the year, or who have subsequently held office are:

Employer Representatives Mr Christopher Taylor (Chairperson of the Board)
Mr Geoffrey Baquley
Mr Paul Hick
Mr Benjamin Young

Member Representatives Ms Linda Vickers
Ms Emma Eaves
Mr Hemal Patel (appointed on 12/09/2024)
Mr Paul Dunbar (appointed on 12/09/2024)
Ms Jacqueline Collie (ceased on 12/09/2024)
Mr Michael Ravbar (ceased on 12/09/2024)

Other members of Key Management Personnel Mr Damian Wills
Mr Peter Laity
Mr Matthew Forrest
Ms Leigh Mackay
Ms Lisa Cumberland
Ms Carolyn Bartsch
Mr Sean Mok (appointed on 1/02/2025)

(b) Compensation of Key Management Personnel

	2025	2024
	\$	\$
Directors' fees - short term benefits	558,491	534,441
Directors' fees - post employment benefits	64,235	58,789
Other key management personnel - short term benefits	2,048,840	1,928,373
Other key management personnel - post employment benefits	192,115	163,698
Other key management personnel - long term benefits	38,298	38,278
	<u>2,901,979</u>	<u>2,723,579</u>

The Fund pays each director of the Trustee fees for services rendered to the Fund and PST.

(c) Related party transactions**Trustee**

The following directors were also members of the Fund for part or all of the year:

Ms Jacqueline Collie	Mr Michael Ravbar
Ms Emma Eaves	Ms Linda Vickers
Mr Christopher Taylor	Mr Benjamin Young
Mr Hemal Patel	Mr Paul Dunbar

The trustee Directors' membership terms and conditions are the same as those available to other members of the Fund.

Key Management Personnel

Damian Wills, Peter Laity and Lisa Cumberland were members of the Fund for all or part of the year. Their membership terms and conditions are the same as those available to other members of the Fund.

BUSS (Queensland) Pty Ltd

The Fund pays directors fees and Trustee liability insurance for the directors of the Trustee.

	2025	2024
	\$	\$
Directors' fees	558,491	534,441
Trustee liability insurance	177,325	179,050
	<u>735,816</u>	<u>713,491</u>
	2025	2024
	\$	\$
Income tax (refund) / liability	(130,197)	135,082
GST liability	150,102	103,249
	<u>19,905</u>	<u>238,331</u>

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements
For the year ended 30 June 2025

17. Related party disclosures (continued)

(c) Related party transactions (continued)

BUSS (Queensland) Pooled Superannuation Trust

Half of the directors' fees and Trustee liability insurance paid by the Fund is reallocated to the Pooled Superannuation Trust (the Trust). Refer to note 5 for the receivable from the Trust.

	2025 \$	2024 \$
Directors' fees	344,973	329,785
Committee Member Fees	-	6,829
Investment team remuneration	688,435	673,404
Trustee liability insurance	11,727	92,058
Other expenses	1,264,982	11,357
PAYG	-	(53,304,439)
Income tax liability	-	(17,500,000)

Shareholders

The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland and the Queensland Master Builders Association, Industrial Organisation of Employers are shareholders of BUSS(Q) Pty Ltd.

The following table provides the total amount of transactions, that have been entered into with shareholder entities for the relevant financial year. Management of the Fund prepares business cases for Board consideration and approval for all significant expenditures, carrying out and monitoring services provided in line with contracts signed with the relevant shareholder entity. These transactions are conducted at arms length on commercial terms.

	2025 \$	2024 \$
Expenses	713,510	670,403

18. Consolidation

The value of the investments of the Consolidated Fund, held by the PST, over which significant influence is held are as follows:

	2025 %	2024 %
Duxton Vineyards Pty Ltd (Australia)	50.4	39.3

The Trustee has assessed that while a majority shareholding is held by the Trust, there is not control present as the Trustee does not have contractual or shareholder rights to individually control the variable returns to which it is exposed. Mr Peter Laity, the Chief Investment Officer and employee of the Fund, was a representative on the Board of Duxton Vineyards Pty Ltd until 14 October 2024. Mr Christopher Taylor, a Director of the Trustee for the Trust, is a representative on the Board of Duxton Vineyards Pty Ltd effective from 26 February 2025 in accordance with the Trust's shareholder rights.

During the financial year, the PST purchased shares valued at \$15.79m as further investment into the business.

19. Financial risk management objectives and policies

(a) Financial instruments management

The Fund's principal financial instruments comprise investment mandates and units in collective investment vehicles such as unit trusts, pooled superannuation trusts and private equity trusts. The main purpose of these financial instruments is to generate a return on investment. The Fund also has various other financial instruments such as sundry receivables and payables, which arise directly from its operations.

The main risks arising from the Fund's financial instruments are interest rate risk, credit risk, market price risk, and foreign currency risk. The Trustee reviews and agrees policies for managing each of these risks. The Fund also monitors the market price risk arising from all financial instruments.

Each investment manager is required to invest the assets managed by them in accordance with the terms of a written investment mandate. The Trustee has determined that the appointment of these managers is appropriate for the Fund and is in accordance with the Fund's investment strategy. The Trustee obtains regular reports from each investment manager on the nature of the investments made and the associated risks.

(b) Material accounting policies

Details on the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset and financial liability, are disclosed in Note 2 to the financial statements.

(c) Categories of financial instruments

The Fund's investments, including derivatives, are recorded at fair value. Changes in fair value are recognised through the income statement in the year they occur, in accordance with the requirements of AASB 1056.

(d) Financial risk management objectives

The Fund is exposed to a variety of financial risks as a result of its activities. These risks include market risk, (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Fund's risk management and investment policies, approved by the Trustee, seek to manage and where possible minimise the potential adverse effects of these risks on the Fund's financial performance. These policies may include the use of certain derivative financial instruments.

The Fund is committed to effectively integrating climate change risks and opportunities into its investment processes across the Fund and expects its investment managers and advisors to integrate these throughout their investment process. We continue to consider our approach to climate change over time.

Risks from climate change transitions will have a varied impact on investments, with some assets anticipated to yield decreasing returns, while others increase. Opportunities for the Fund include influencing and encouraging responsible investment by directing investments to projects aligned to its purpose and risk appetite. To address these effects, the Trustee will look to consider the implications of potentially stranded assets, carbon-intensive industries and evolving opportunities in determining its investment strategy and portfolio allocations.

It is ultimately the responsibility of the Trustee to ensure that there is an effective risk management control framework in place. Consistent with regulatory requirements, the Trustee has the function of overseeing the establishment and maintenance of risk-based systems and controls for the Fund. The Trustee has developed, implemented and maintains a Risk Management Framework ("RMF").

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements
For the year ended 30 June 2025

19. Financial risk management objectives and policies (continued)

(d) Financial risk management objectives (continued)

The RMF identifies the Trustee's policies and procedures, processes, and controls that comprise its risk management and control systems. These systems address all material risks, financial and non-financial, likely to be faced by the fund. Annually, the Trustee certifies to APRA that adequate strategies have been put in place to monitor those risks, that the Trustee has systems in place to ensure compliance with legislative and prudential requirements and that the Trustee has satisfied itself as to the compliance with the RMF.

The financial risk management policies detailed below for the Fund are applicable to both the consolidated and parent entity, unless stated otherwise.

(e) Market risk

Market risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual instrument (or its issuer) or factors affecting all instruments in the market. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return on risk.

(f) Currency & Foreign Exchange risk

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

The Fund has exposure to foreign currency risk implicit in the value of portfolio securities denominated in a foreign currency. Foreign exchange contracts are used by the Fund to reduce exposure to adverse foreign currency movements in the value of underlying international listed equities. Exchange rate exposures are managed within approved policy parameters. The exchange rate exposure is managed in line with the Trustee's investment policies and Risk Management Framework. The Fund's overall strategy in foreign currency risk management remains unchanged from 2024.

Consolidated 2025

	USA A\$ '000	GBP A\$ '000	EURO A\$ '000	JPY A\$ '000	Other A\$ '000	Total A\$ '000
Financial assets						
Gross investment amounts denominated in foreign currency	1,570,363	120,864	425,415	50,577	230,840	2,398,059
Derivative Financial Instruments	12,216	-	150	2	27	12,395
Total assets	<u>1,582,579</u>	<u>120,864</u>	<u>425,565</u>	<u>50,579</u>	<u>230,867</u>	<u>2,410,454</u>
Financial liabilities						
Gross investment amounts denominated in foreign currency	(8,237)	(2,385)	(1,726)	(1,141)	(3,883)	(17,372)
Derivative Financial Instruments	-	(14)	(2)	-	-	(16)
Total Liabilities	<u>(8,237)</u>	<u>(2,399)</u>	<u>(1,728)</u>	<u>(1,141)</u>	<u>(3,883)</u>	<u>(17,388)</u>
Net assets/(liabilities)	<u>1,574,342</u>	<u>118,465</u>	<u>423,837</u>	<u>49,438</u>	<u>226,984</u>	<u>2,393,066</u>

2024

	USA A\$ '000	GBP A\$ '000	EURO A\$ '000	JPY A\$ '000	Other A\$ '000	Total A\$ '000
Financial assets						
Gross investment amounts denominated in foreign currency	1,249,881	82,661	259,948	66,492	152,149	1,811,131
Derivative Financial Instruments	2,266	105	162	100	309	2,942
Total assets	<u>1,252,147</u>	<u>82,766</u>	<u>260,110</u>	<u>66,592</u>	<u>152,458</u>	<u>1,814,073</u>
Financial liabilities						
Gross investment amounts denominated in foreign currency	(100,468)	(208)	(262)	(1,591)	(99)	(102,628)
Derivative Financial Instruments	(7,915)	(224)	(1,066)	(189)	(190)	(9,584)
Total Liabilities	<u>(108,383)</u>	<u>(432)</u>	<u>(1,328)</u>	<u>(1,780)</u>	<u>(289)</u>	<u>(112,212)</u>
Net assets/(liabilities)	<u>1,143,764</u>	<u>82,334</u>	<u>258,782</u>	<u>64,812</u>	<u>152,169</u>	<u>1,701,861</u>

Parent Entity

The parent entity does not have any direct exposure to foreign currency risk at the balance date or in the prior year.

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements
For the year ended 30 June 2025

19. Financial risk management objectives and policies (continued)

(f) Currency & Foreign Exchange risk (continued)

Sensitivity Analysis - Currency Risk

The following table details the Fund's sensitivity to a 10% increase and decrease in the Australian Dollar against the relevant foreign currencies. 10% is the sensitivity rate management has assessed as the possible change in foreign exchange rates. A positive number indicates an increase in benefits accrued as a result of operations after income tax and liability for accrued benefits where the Australian dollar strengthens against the respective currency. For a weakening of the Australian Dollar against the respective currency there would be an equal and opposite impact on the benefits as a result of operations after income tax and on the net assets available to pay benefits, and the balances below would be negative.

Note that the analysis does not take into account the impact of movements in exchange rates on the value of foreign currency assets held in Australian denominated collective investment vehicles. The potential effects of such movements is included in the sensitivity analysis under "other price risk".

Foreign Currency Sensitivity Analysis - Effects in AUD '000

Consolidated

30 June 2025

	Carrying value \$ '000	Operating result after tax		Net assets available to pay member liabilities	
		+10% \$ '000	-10% \$ '000	+10% \$ '000	-10% \$ '000
Total assets that are denominated in a currency other than the Australian dollar					
USD-AUD Equivalent	1,582,579	134,519	(134,519)	134,519	(134,519)
GBP-AUD Equivalent	120,864	10,273	(10,273)	10,273	(10,273)
EURO-AUD Equivalent	425,565	36,173	(36,173)	36,173	(36,173)
JPY-AUD Equivalent	50,579	4,299	(4,299)	4,299	(4,299)
Other-AUD Equivalent	230,867	19,624	(19,624)	19,624	(19,624)
	<u>2,410,454</u>	<u>204,888</u>	<u>(204,888)</u>	<u>204,888</u>	<u>(204,888)</u>
Total liabilities that are denominated in a currency other than the Australian dollar					
USD-AUD Equivalent	(8,237)	(700)	700	(700)	700
GBP-AUD Equivalent	(2,399)	(204)	204	(204)	204
EURO-AUD Equivalent	(1,728)	(147)	147	(147)	147
JPY-AUD Equivalent	(1,141)	(97)	97	(97)	97
Other-AUD Equivalent	(3,883)	(330)	330	(330)	330
	<u>(17,388)</u>	<u>(1,478)</u>	<u>1,478</u>	<u>(1,478)</u>	<u>1,478</u>
Net assets/(liabilities)	<u>2,393,066</u>	<u>203,410</u>	<u>(203,410)</u>	<u>203,410</u>	<u>(203,410)</u>

30 June 2024

	Carrying value \$ '000	Operating result after tax		Net assets available to pay member liabilities	
		+10% \$ '000	-10% \$ '000	+10% \$ '000	-10% \$ '000
Total assets that are denominated in a currency other than the Australian dollar					
USD-AUD Equivalent	1,252,147	106,432	(106,432)	106,432	(106,432)
GBP-AUD Equivalent	82,766	7,035	(7,035)	7,035	(7,035)
EURO-AUD Equivalent	260,110	22,109	(22,109)	22,109	(22,109)
JPY-AUD Equivalent	66,592	5,660	(5,660)	5,660	(5,660)
Other-AUD Equivalent	152,458	12,959	(12,959)	12,959	(12,959)
	<u>1,814,073</u>	<u>154,195</u>	<u>(154,195)</u>	<u>154,195</u>	<u>(154,195)</u>
Total liabilities that are denominated in a currency other than the Australian dollar					
USD-AUD Equivalent	(108,383)	(9,213)	9,213	(9,213)	9,213
GBP-AUD Equivalent	(432)	(37)	37	(37)	37
EURO-AUD Equivalent	(1,328)	(113)	113	(113)	113
JPY-AUD Equivalent	(1,780)	(151)	151	(151)	151
Other-AUD Equivalent	(289)	(25)	25	(25)	25
	<u>(112,212)</u>	<u>(9,539)</u>	<u>9,539</u>	<u>(9,539)</u>	<u>9,539</u>
Net assets/(liabilities)	<u>1,701,861</u>	<u>144,656</u>	<u>(144,656)</u>	<u>144,656</u>	<u>(144,656)</u>

Parent Entity

The parent entity does not have any direct exposure to foreign currency risk at the balance date or in the prior year.

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements
For the year ended 30 June 2025

19. Financial risk management objectives and policies (continued)

(g) Interest rate risk

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

The majority of the Fund's financial instruments are non-interest bearing with only cash and cash equivalents, short term deposits, debt securities and interest bearing securities being directly subject to interest rate risk. As a result, the Fund is subject to limited direct exposure to interest rate fluctuations in prevailing levels of market interest rates. The Fund is indirectly exposed to fluctuations in market interest rates through its investments in collective investment vehicles, which invest in a variety of short and long term interest bearing securities. Floating rate instruments expose the Fund to cash flow risk, whereas fixed interest rate instruments expose the fund to fair value interest rate risk. The Fund's Trustee monitors its exposure to interest rate risk.

Interest on financial instruments classified as floating rate is repriced at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until maturity of the instrument.

The Fund's exposure to interest rate risk and the weighted average effective interest rate (for each class of financial asset and financial liability) is set out in the following table in AUD '000.

Consolidated 30 June 2025

Financial Assets	Weighted Average Interest rate	Floating or Variable Interest Bearing	Maturing in less than 1 year	Maturing in 1 to 5 years	Maturing in greater than 5 years	Non-Interest Bearing	Total
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Cash and cash equivalents	3.70%	22,325	-	-	-	-	22,325
Trade and other receivables		-	-	-	-	1,037	1,037
Interest bearing securities	3.74%v/3.79%f	464	442,835	245,670	349,864	-	1,038,833
Portfolio cash and cash equivalents	3.49%	293,990	-	-	-	-	293,990
Non-interest bearing securities		-	-	-	-	6,214,432	6,214,432
Total assets		316,779	442,835	245,670	349,864	6,215,469	7,570,617
Financial Liabilities							
Trade and other payables		-	-	-	-	(5,294)	(5,294)
Total Liabilities		-	-	-	-	(5,294)	(5,294)
Net Financial Assets		316,779	442,835	245,670	349,864	6,210,175	7,565,323

30 June 2024

Financial Assets	Weighted Average Interest rate	Floating or Variable Interest Bearing	Maturing in less than 1 year	Maturing in 1 to 5 years	Maturing in greater than 5 years	Non-Interest Bearing	Total
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Cash and cash equivalents	4.20%	4,939	-	-	-	-	4,939
Trade and other receivables		-	-	-	-	5,366	5,366
Interest bearing securities	3.61%f	-	512,561	111,865	209,463	-	833,889
Portfolio cash and cash equivalents	4.09%	304,227	-	-	-	-	304,227
Non-interest bearing securities		-	-	-	-	5,665,613	5,665,613
Total assets		309,166	512,561	111,865	209,463	5,670,979	6,814,034
Financial Liabilities							
Trade and other payables		-	-	-	-	(4,587)	(4,587)
Total Liabilities		-	-	-	-	(4,587)	(4,587)
Net Financial Assets		309,166	512,561	111,865	209,463	5,666,392	6,809,447

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements
For the year ended 30 June 2025

19. Financial risk management objectives and policies (continued)

(g) Interest rate risk (continued)

Parent Entity
30 June 2025

Financial Assets	Weighted Average Interest rate	Floating Interest rate	Fixed Interest	Non-Interest Bearing	Total
		\$ '000	\$ '000	\$ '000	\$ '000
Cash	3.70%	22,325	-	-	22,325
Investments	4.18%	36,436	-	7,406,515	7,442,951
Trade and other receivables		-	-	14,788	14,788
Total assets		58,761	-	7,421,303	7,480,064
Financial Liabilities					
Trade and other payables		-	-	(4,053)	(4,053)
Total Liabilities		-	-	(4,053)	(4,053)
Net Financial Assets		58,761	-	7,417,250	7,476,011

30 June 2024

Financial Assets	Weighted Average Interest rate	Floating Interest rate	Fixed Interest	Non-Interest Bearing	Total
		\$ '000	\$ '000	\$ '000	\$ '000
Cash	4.20%	4,939	-	-	4,939
Investments	4.18%	70,153	-	6,666,111	6,736,264
Trade and other receivables		-	-	12,539	12,539
Total assets		75,092	-	6,678,650	6,753,742
Financial Liabilities					
Trade and other payables		-	-	(4,019)	(4,019)
Total Liabilities		-	-	(4,019)	(4,019)
Net Financial Assets		75,092	-	6,674,631	6,749,723

Sensitivity Analysis - Interest Rate Risk

The sensitivity analysis below has been determined based on the exposure to interest rates at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 150 basis points increase or decrease is used when reporting interest rate risk internally to the Trustee and represents the Trustee's assessment of the possible change in interest rates.

The following table illustrates the effect on benefits accrued as a result of operations and the net assets available to pay member liabilities from possible changes in interest rate risk that were reasonably possible based on the risk the Fund was exposed to at reporting date. The table is based on the Fund's interest bearing financial instruments of cash and cash equivalents at balance date.

An increase/decrease of 150 basis points in interest rates at the reporting date would have increased/decreased the change in net assets available to pay benefits and the benefits accrued as a result of operations by the amounts below:

Consolidated	Carrying value	Net assets available to pay member liabilities			
		-150bps	150bps	-150bps	150bps
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
30 June 2025					
Cash and cash equivalents	22,325	(335)	335	(335)	335
Interest bearing securities	1,038,833	(15,582)	15,582	(15,582)	15,582
Portfolio cash and cash equivalents	293,990	(4,410)	4,410	(4,410)	4,410
30 June 2024 (Restated)					
Cash and cash equivalents	4,939	(74)	74	(74)	74
Interest bearing securities	833,889	(12,508)	12,508	(12,508)	12,508
Portfolio cash and cash equivalents	304,227	(4,563)	4,563	(4,563)	4,563

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements
For the year ended 30 June 2025

19. Financial risk management objectives and policies (continued)

(g) Interest rate risk (continued)

Parent Entity	Carrying value	Operating result before tax		Net assets available to pay member liabilities	
		-150bps	150bps	-150bps	150bps
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
30 June 2025					
Cash and cash equivalents	22,325	(335)	335	(335)	335
Investments	36,436	(547)	547	(547)	547
30 June 2024					
Cash and cash equivalents	4,939	(74)	74	(74)	74
Investments	70,153	(1,052)	1,052	(1,052)	1,052

(h) Other market price risk

Other market price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

As the Fund's financial instruments are carried at fair value with changes recognised in the Income Statement, changes in market conditions affecting net fair value will be recognised in the Income Statement. As the investments of the Fund (other than cash held for liquidity purposes) comprise a combination of directly held securities and units in collective investment vehicles, the Fund's exposure to other market risk is therefore limited to the market price movement of these investments. The Fund's exposure at year end to other market price is detailed below:

	Volatility Factor Minimum	Volatility Factor Maximum	Volatility Factor Average
Investment Held Consolidated			
Australian Equities	(19.10%)	31.80%	6.35%
Australian Fixed Interest	(1.00%)	8.50%	3.75%
Cash Enhanced/Term Deposits	2.40%	3.80%	3.10%
Direct Property	(6.00%)	17.20%	5.60%
International Equities	(15.80%)	26.20%	5.20%
International Equities - Emerging Markets	(17.50%)	33.60%	8.05%
Overseas Fixed Interest	(0.80%)	8.80%	4.00%
Agriculture	(2.70%)	16.70%	7.00%
Australian Private Equities	(2.70%)	16.70%	7.00%
Derivatives	(2.70%)	16.70%	7.00%
Infrastructure	(2.70%)	16.70%	7.00%
International Private Equities	(2.70%)	16.70%	7.00%
Opportunistic Debt	(2.70%)	16.70%	7.00%
Parent Entity			
Cash Enhanced/Term Deposits	2.40%	3.80%	3.10%
Pooled Superannuation Trust - BUSS(Q)	(5.69%)	17.70%	6.00%

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements
For the year ended 30 June 2025

19. Financial risk management objectives and policies (continued)

(h) Other market price risk (continued)

Sensitivity Analysis - Other market price risk

The following table illustrates the effect of profit/(loss) and net assets available to pay member liabilities from possible changes in market risk that were reasonably possible based on the risk the Fund was exposed to at reporting date.

The increase/decrease in the market price against the investments of the Fund at 30 June 2025 would have increased/(decreased) the operating result post tax by the amounts shown below. The analysis assumes that all other variables, in particular, interest rates and foreign exchange rates remain constant. The analysis is performed on the same basis for the prior year and is not guaranteed.

Consolidated

2025	Volatility Factor Average	Carrying Value	Impact on Operating result		Impact on Other Components of Equity	
			Decrease	Increase	Decrease	Increase
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Term Deposits	3.10%	575,226	(15,157)	15,157	(15,157)	15,157
International Private Equities	7.00%	205,363	(12,219)	12,219	(12,219)	12,219
Fixed Interest	3.75%	654,939	(20,876)	20,876	(20,876)	20,876
Australian Equities	6.35%	1,697,753	(91,636)	91,636	(91,636)	91,636
International Equities	5.20%	2,156,795	(95,330)	95,330	(95,330)	95,330
Properties	5.60%	483,254	(23,003)	23,003	(23,003)	23,003
Derivative Assets	7.00%	62,794	(3,736)	3,736	(3,736)	3,736
Derivative Liabilities	7.00%	(12,926)	769	(769)	769	(769)
Infrastructure	7.00%	949,496	(56,495)	56,495	(56,495)	56,495
Opportunistic Debt	7.00%	410,206	(24,407)	24,407	(24,407)	24,407
Agriculture	7.00%	303,242	(18,043)	18,043	(18,043)	18,043
Cash and Short-term Deposits	3.10%	61,113	(1,610)	1,610	(1,610)	1,610
		7,547,255	(361,743)	361,743	(361,743)	361,743

2024	Volatility Factor Average	Carrying Value	Impact on Operating result		Impact on Other Components of Equity	
			Decrease	Increase	Decrease	Increase
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Term Deposits	3.20%	677,934	(18,440)	18,440	(18,440)	18,440
International Private Equities	7.20%	72,765	(4,453)	4,453	(4,453)	4,453
Fixed Interest	4.05%	436,198	(15,016)	15,016	(15,016)	15,016
Australian Equities	7.05%	1,712,216	(102,605)	102,605	(102,605)	102,605
International Equities	5.60%	1,818,557	(86,563)	86,563	(86,563)	86,563
Properties	5.30%	428,116	(19,287)	19,287	(19,287)	19,287
Derivative Assets	7.20%	12,594	(771)	771	(771)	771
Derivative Liabilities	7.20%	(17,524)	1,072	(1,072)	1,072	(1,072)
Infrastructure	7.20%	872,051	(53,370)	53,370	(53,370)	53,370
Opportunistic Debt	7.20%	390,839	(23,919)	23,919	(23,919)	23,919
Agriculture	7.20%	295,962	(18,113)	18,113	(18,113)	18,113
Cash and Short-term Deposits	3.20%	104,021	(2,829)	2,829	(2,829)	2,829
		6,803,729	(344,294)	344,294	(344,294)	344,294

Parent Entity

2025	Volatility Factor Average	Carrying Value	Impact on Operating result		Impact on Other Components of Equity	
			Decrease	Increase	Decrease	Increase
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Cash and Short-term Deposits	3.10%	36,436	(960)	960	(960)	960
Pooled Superannuation Trust	6.00%	7,406,515	(377,974)	377,974	(377,974)	377,974
		7,442,951	(378,934)	378,934	(378,934)	378,934

2024	Volatility Factor Average	Carrying Value	Impact on Operating result		Impact on Other Components of Equity	
			Decrease	Increase	Decrease	Increase
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Cash and Short-term Deposits	3.20%	70,153	(1,908)	1,908	(1,908)	1,908
Pooled Superannuation Trust	6.23%	6,666,111	(353,265)	353,265	(353,265)	353,265
		6,736,264	(355,173)	355,173	(355,173)	355,173

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements
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19. Financial risk management objectives and policies (continued)**(i) Credit Risk**

Credit Risk is the risk that a counterparty to a financial instrument will cause a loss to the other party by failing to discharge an obligation. The Trustee of the Fund has adopted the policy of spreading the aggregate value of transactions concluded amongst approved counterparties with appropriate credit qualities, as a means of mitigating the risk of financial loss. The Fund's exposure is continuously monitored by the Trustee. The credit policy provides guidelines as to the appropriate terms and conditions of transactions entered into and the escalation procedures to follow when the recovery of assets is considered doubtful.

The carrying amounts of financial assets best represent the maximum credit risk exposure at the reporting date. No collateral is held as security nor do other credit enhancements exist for financial assets held. No financial assets are considered past due as all payments are considered recoverable when contractually due. The Fund does not have any significant exposure to any individual counterparty or industry.

The operational bank account is held with Westpac Bank. The Fund monitors its credit risk exposure with the bank through regular monitoring of the bank's credit rating.

For investments in listed Australian equities, credit risk arising on these investments is mitigated by monitoring that managers transact predominantly with reputable brokers on recognised exchanges.

Credit risk arising from other collective investments is mitigated by extensive due diligence prior to the appointment of Investment and Fund Managers, and benchmark analysis of the Investment and Fund Managers appointed.

Credit risk associated with contributions receivable and other receivables is considered low as there is usually a short settlement period as the receivable relates to timing differences in respect of the receipt of contributions from the employer sponsors.

All investment and cash assets of the Fund (other than short term deposits and operational cash) are held via a Custodian. The fair value of financial assets included in the Statement of Financial Position represent the Fund's exposure to credit risk. It is the opinion of the Trustee that the carrying amount of these financial assets represent the maximum credit risk exposure at reporting date. There were no significant concentrations of credit risk to counterparties. An analysis of interest bearing securities by rating is set out in the tables below:

Domestic Interest Bearing Securities	Consolidated		Parent Entity	
	2025	2024	2025	2024
	\$ '000	\$ '000	\$ '000	\$ '000
AAA to AAA-	583,889	575,320	-	-
AA+ to AA-	48,134	28,805	-	-
	<u>632,023</u>	<u>604,125</u>	<u>-</u>	<u>-</u>
International Interest Bearing Securities				
AAA to AAA-	48,783	110,554	-	-
AA+ to AA-	96,669	45,397	-	-
A+ to A-	112,449	62,185	-	-
BBB+ to B-	148,909	11,628	-	-
	<u>406,810</u>	<u>229,764</u>	<u>-</u>	<u>-</u>
Total interest bearing securities	<u>1,038,833</u>	<u>833,889</u>	<u>-</u>	<u>-</u>

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements
For the year ended 30 June 2025

19. Financial risk management objectives and policies (continued)

(j) Liquidity risk

The Fund's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities. The Fund allows members to withdraw benefits and is therefore exposed to the liquidity risk of meeting member's withdrawals at any time. The Fund invests in financial instruments, which under normal market conditions are readily convertible to cash. The Fund's financial instruments also include instruments in unlisted investments and private equity which are not traded in an organised market and which generally may be illiquid. As a result, there is a risk that the Fund may not be able to liquidate all of its investments at their fair value in order to meet its liquidity requirements.

The Fund's liquidity risk is managed in accordance with the Fund's investment strategy. The Fund has a high level of net inward cash flows (through contributions) which provides capacity to manage liquidity risk. Liquidity risk is managed through monthly monitoring of administration, including reports of monthly cash flow and monitoring cashflow to each option and monitoring trends in regards to transfers in and out of the Fund.

The following table summarises the maturity profile of the Fund's financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Fund can be required to pay. The tables include both interest and principal cash flows.

Vested benefits have been included in the less than three months column, as this is the amount that the Fund could be required to pay members' vested benefits, however, members may not necessarily call upon amounts vested to them during this time.

Consolidated

	Carrying Value	Total Contractual Cashflows	Less than 3 months	3 months to 1 year	1-5 years	5+ years
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
2025						
Vested benefits	(7,390,479)	(7,390,479)	(7,390,479)	-	-	-
Payables	(5,294)	(5,294)	(5,294)	-	-	-
Forward exchange contracts	27,729	28,269	28,199	70	-	-
Equity futures	2,828	2,828	2,828	-	-	-
Interest rate swaps	(172)	(55)	(3)	(3)	(49)	-
Exchange traded equity options	16,173	16,173	7,518	8,655	-	-
Interest Rate Futures	3,065	3,065	3,065	-	-	-
Warrants	245	245	-	-	245	-
	44,574	45,231	36,313	8,722	196	-

	Carrying Value	Total Contractual Cashflows	Less than 3 months	3 months to 1 year	1-5 years	5+ years
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
2024						
Vested benefits	(6,664,288)	(6,664,288)	(6,664,288)	-	-	-
Payables	(4,587)	(4,587)	(4,587)	-	-	-
Forward exchange contracts	8,461	8,857	8,556	215	86	-
Equity futures	(936)	(936)	(936)	-	-	-
Interest rate swaps	1,122	(9,451)	(51)	(1,322)	(8,078)	-
Total return swaps	(12,837)	-	-	-	-	-
Inflation index swaps	(253)	(1,277)	(42)	(122)	(1,113)	-
Exchange Traded Interest Rate Options	(4)	(4)	(4)	-	-	-
Interest Rate Futures	(554)	(554)	(586)	54	(22)	-
Warrants	71	71	-	-	71	-
	(9,517)	(7,881)	2,350	(1,175)	(9,056)	-

Parent Entity

	Carrying Value	Total Contractual Cashflows	Less than 3 months	3 months to 1 year	1-5 years	5+ years
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
2025						
Payables	(4,053)	(4,053)	(4,053)	-	-	-
	(4,053)	(4,053)	(4,053)	-	-	-
2024						
Payables	(4,019)	(4,019)	(4,019)	-	-	-
	(4,019)	(4,019)	(4,019)	-	-	-

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)

Notes to the Financial Statements
For the year ended 30 June 2025

19. Financial risk management objectives and policies (continued)**(k) Involvement with unconsolidated structured entities**

The Fund invests in structured entities defined as collective investment vehicles, including listed property trusts, listed trusts, unlisted unit/equity trusts, and unlisted property trusts (foreign and domestic). The Fund does not control these entities as at 30 June 2025.

Consolidated Asset Class	2025			2024		
	Fair Value	Committed	Total Exposure	Fair Value	Committed	Total Exposure
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Term Deposits	125,309	-	125,309	125,154	-	125,154
Cash and Short-term Deposits	58	-	58	57	-	57
International Private Equities	193,191	192,276	385,467	62,030	64,485	126,515
Fixed Interest	-	-	-	118,188	-	118,188
Australian Equities	109,484	-	109,484	116,563	-	116,563
International Equities	572,046	-	572,046	460,914	-	460,914
Properties	479,863	-	479,863	424,980	-	424,980
Infrastructure	948,968	170,773	1,119,741	868,432	140,369	1,008,801
Opportunistic Debt	398,920	36,782	435,702	376,560	31,993	408,553
Agriculture	250,608	-	250,608	238,532	-	238,532
Total	3,078,447	399,831	3,478,278	2,791,410	236,847	3,028,257

Parent Entity Asset Class	2025			2024		
	Fair Value	Committed	Total Exposure	Fair Value	Committed	Total Exposure
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Cash and Short-term Deposits	50	-	50	50	-	50
	50	-	50	50	-	50

20. Commitments

At year end the Fund had future commitments in respect of investments in unit trusts, as follows:

	2025 \$ '000	2024 \$ '000
HayFin Special Opportunities Fund II LP	36,782	31,993
SDCL Green Energy Solutions Fund	62,352	74,472
Harbourvest Partners Stewardship Feeder Fund L.P.	71,082	59,066
Invesco Credit Partners Cayman III LP	44,617	-
Stafford Private Equity 3 Fund	750	750
Stafford Private Equity 4 Fund	750	750
Siguler Guff Distressed Opportunities Fund III	-	417
Newbury Equity Partners II	1,099	1,087
Siguler Guff Distressed Opportunities Fund IV	2,443	2,415
Canyon US Real Estate Opportunity Fund B LP	71,266	-
Wilshire US Private Markets Fund VII LP	269	-
IFM Global Infrastructure Australia Trust	50,000	-
Antin Infrastructure Partners V Feeder SCA SICAV-RAF	58,421	65,897
	399,831	236,847

21. Contingent Liabilities

The Fund has no contingent liabilities as at 30 June 2025 (2024: nil).

22. Insurance

The Fund provides death and disability benefits to members. These benefits are greater than the members' vested benefit and as such the Trustee has a group policy in place with a third party to insure death and disability benefits in excess of vested benefits. The Trustee acts as an agent for these arrangements.

23. Guaranteed benefits

No guarantees have been made in respect of any part of the liability for accrued benefits.

24. Significant events after balance date

No matters or circumstances have arisen since 30 June 2025 and to the date of this report that, in the opinion of the directors has significantly affected or may significantly affect:

- (i) the operations of the Trust in future financial years, or
- (ii) the results of those operations in future financial years, or
- (iii) the state of affairs of the Trust in future financial years.

BUILDING UNIONS SUPERANNUATION SCHEME (QUEENSLAND)
FINANCIAL STATEMENTS
For the year ended 30 June 2025

TRUSTEE DECLARATION

In the opinion of the Trustee of the Fund:

- (i) The accompanying financial statements are drawn up so as to present fairly the financial position of the Fund as at 30 June 2025 and the results of its operations and cash flows for the year then ended; and
- (ii) The operation of the Fund has been carried out in accordance with its Trust Deed, as amended and in compliance with the requirements of the Superannuation Industry (Supervision) Act 1993, Regulations and the Guidelines issued by the Australian Prudential Regulation Authority and the Corporations Act 2001 and Regulations and Guidelines, during the year ended 30 June 2025; and
- (iii) The financial statements have been prepared in accordance with Accounting Standards, other mandatory professional reporting requirements and the provisions of the Trust Deed, as amended.

Signed in accordance with a resolution of the directors of the Trustee.

Dated at Brisbane this Friday the 26th of September 2025.



Director



Director



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Independent auditor's report to the members of Building Unions Superannuation Scheme (Queensland)

Opinion

We have audited the financial report of Building Unions Superannuation Scheme (Queensland) (the RSE), which comprises the statement of financial position as at 30 June 2025, the income statement, statement of changes in member benefits, statement of cash flows and statement of changes in equity for the year then ended, notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the RSE is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the RSE's financial position as at 30 June 2025, and of its financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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 RSE 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 (including Independence Standards)* (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.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

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 for the financial report

The directors of BUSS(Queensland) Pty Ltd (the trustee) are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards



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and the *Corporations Act 2001* and for such internal control as the directors 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 RSE's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the RSE 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 judgment 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 RSE's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 RSE'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 RSE 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.



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We communicate with the directors 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.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in page 2 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Building Unions Superannuation Scheme (Queensland) for the year ended 30 June 2025, complies with section 300C of the *Corporations Act 2001*.

Responsibilities

The directors of the trustee are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300C of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

The Ernst & Young logo, featuring the letters 'EY' in a stylized, handwritten font.

Ernst & Young

A handwritten signature in black ink, appearing to read 'John MacDonald'.

John MacDonald
Partner
Melbourne
26 September 2025