ANNUAL REPORT 2025

MBA NORTH
MASTER BUILDERS ASSOCIATION

PURPOSE, VISION & MISSION

PURPOSE

To foster and address the needs and challenges of our members and to empower them to thrive in a dynamic and competitive industry.

VISION

To be a leading; member centric Association, driven by passion and dedication to deliver exceptional value and support to our members.

We will achieve our vision by:

MISSION

Providing services that matter to our members.
Facilitating best practice within our MBA and within the building sector.
Building relationships and networks that make a difference.
Enabling sustainable transformation.
Retaining and growing our membership base.

1903

BUILDING TOGETHER
FOR 122 YEARS

MBA NORTH
MASTER BUILDERS ASSOCIATION

2025

MBA North Geographical Regions

www.mbanorth.co.za

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EXCO & MEMBERS

2025

EXECUTIVE COMMITTEE, OFFICE BEARERS & HONORARY LIFE MEMBERS

OFFICE BEARERS

Liana van der Walt - President
Gavin Morrow - Vice President
Sello Mokawane - Immediate Past President
Mandla Danisa - Honorary Treasurer
Mohau Mphomela - Executive Director

Back - Left to Right: Sello Mokawane, Mohau Mphomela, Mandla Danisa , Gavin Morrow
Seated - Liana van der Walt

EXECUTIVE COMMITTEE

Back - Left to Right: Gavin Morrow, Sello Mokawane, Mohau Mphomela, Julia Petla, Martin Muller, Mandla Danisa
Front - Left to Right: Neo Malefane, Tshidi Mndzebele, Liana van der Walt, Michael Moloto, Karabo Motsepe
Not in Photo - Searen Sadapal, Christian Micha, Deon Calitz, Sejal Purbhoo, JJ Conradie, Jose Correia, Refiloe Mallela, Thabani Nkomo, Werner Kroon, Frank Mothapo, Andre van Schalkwyk

HONORARY LIFE MEMBERS

JA Barrow
HA Benadie
AC Hauptfleisch
B van Eijden
PJ van Twisk
BS Zylstra
DH Mitchell
C de Kock
NL Klopper
RM Guiricich
E Forbes
G Strachan
NF Maas
P Buchel
G Irons
N Duncan
M Bosch
P Rüde

STANDING COMMITTEES, EXTERNAL REPRESENTATION AND MBSA COMMITTEES

STANDING COMMITTEES

Finance Committee

G Morrow	L van der Walt
M Danisa	K Motsepe
M Shangase	L Smith
N Duncan	M Moloto
S Mokawane	T Mndzebele
T Riley	
P Rüde	

Industrial Relations Committee

J Barrow	C Micha
B Boertje	P Rüde
J Correia	L van der Walt
N Duncan	C Venter

Construction Health & Safety Forum

G Potgieter	A Mostert
G Roets	Dr B Grenz
F du Plessis	C Van Zyl
N Shongwe	R Urquhart
Gerhard Geyser	J Stuit
T Nkomo	Z Mabuza
R van der Merwe	L Magubane
S Fletcher	J Dos Santos
L Woodburn	L Malindzisa
K van Wyngaardt	E Smit
Prof M Zungu	
D Affleck	
A Coetzer	
L Stubbs	
K Harris	
Dr A Kriel	

EXTERNAL REPRESENTATION

Gauteng Building Industry Retirement Fund Trustees
M Mphomela
M Danisa
C Schmidt
L Smith
G Roets (Alternative)
T Mndzebele (Alternative)
J Petla (Alternative)

University of Pretoria Management Committee
M Bosch

National Home Builders Registration Council (NHBRC)
M Mphomela

Building & Construction Industry Medical Aid Trustees
C Froneman
M Mphomela (Chairman)
T Mndzebele
C Schmidt
M Danisa (Alternative)

Business Unity South Africa (BUSA) Policy Committee
M Mphomela (Economic Policy Committee)

MASTER BUILDERS SOUTH AFRICA COMMITTEES

MBSA Board
M Mphomela
L van der Walt

Executive Committee
M Mphomela

Contractual & Legal Committee
B Boertje
L van der Walt

Education & Training Committee
M Mphomela

ASAQS/MBSA Good Practice Committee
A Hall

OHS Committee
G Roets

PAST PRESIDENTS

* F Turner	1903/6
* C Woods	1904/6
* CW Giovanetti	1906
* W Nottingham	1907
* C Gabriel	1907
* J Matthew	1908
* T Clark	1908
* JJ Kirkness	1909
* MCA Meischke	1909/10
* WR Dey	1910
* W Porter	1911
* RW Kelly	1911
* W Knuckey	1912
* JA Schallies	1912
* T Dougias	1913
* J Prentice	1913
* T Henstridge	1914
* J Thompson	1914/15
* JJ Kirkness	1915/18
* DF Corlett	1916
* A Gill	1917
* PJ Hittinger	1918
* R Forbes	1919
* WM Pattison	1919
* DM Evans	1920
* A Andresen	1920/22
* A Barrow	1921
* JBD Clark	1922
* R Rutherford	1923
* F Dey	1923
* JH Forman	1924
* R Blackburn	1924
* J Campbell	1925
* EA Sayle	1925
* A Tawse	1926
* JC Bitcon	1926
* RI Abraham	1927
* JJ van der Koppel	1927
* T Alderson	1928
* A Sinclair	1928
* RF Scott	1929
* L Kley	1929
* CF Coombs	1930
* JT Halse	1930
* FJ Fraser	1931
* HM Missing	1931
* W Knuckey	1932
* D Junor	1932
* R Blackburn	1933
* RB Morrison	1933
* J Donald	1934
* J Downie	1934/35
* CR Stronach	1935
* WF Bousred	1936
* J Clark	1936
* A Bennet	1937
* EG Wheeler	1937
* G Becket	1938
* PL Lievaart	1938
* L Edwards	1939
* K Gil	1940
* HH Mountford	1940
* FH Mitchell	1941
* P Ley	1942
* EW West	1942

* JP Lamb	1943
* JC Bitcon	1943
* OC Buchel	1944
* AB Murray	1944
* WM Pattison	1945
* AE Barker	1945
* FE Kennard	1946
* TE Sayle	1946
* M van Essen	1947
* JA Barrow	1947
* JM Fraser	1948
* LAH Draper	1948/9
* HH Lobban	1949
* AJ McLachlan	1950
* EF Allen	1950
* L Whittle	1951
* SJ Adis	1951
* ACH Clark	1952
* W Taylor	1952
* JA Smit	1953
* BPJ Fletcher	1953
* AL Collins Jnr	1954
* PJ van Twisk	1954
* B Karpes	1955
* BE Mair	1955
* WG Hemer	1956
* RL Gell	1956/7
* OG Garrard	1957
* HT Stirling	1958
* JM Irons	1958
* DR Herd	1959
* J Zylstra	1959/60
* F Williams	1960
* FE Fraser	1961
* ACM Tyrrell	1961
* RL Downie	1962
* KH Saunders	1962
* LCJ Besaans	1963
G Strachan	1963
* GO Hamman	1964
* AS Dunstan	1964
L Draper	1965
* WM Parkinson	1965
* TC Lamb	1966
* M Miodownik	1966
* GC Beckett	1967
* H Muuren	1967
* LW Callard	1968
* LJ Cohen	1968
* AJ Hogeboom	1969
PJ vd Westhuizen	1969
* PO Morris	1970
* HH Kelly	1970/1
* BL Moyle	1971
* FJ Lee	1972
L Draper	1972
* RW Kisbey-Green	1973
* J de Jong	1973
DH Mitchell	1974
G Pronk	1974
JA Barrow Jnr	1975
BA Minogue	1975
* IC Harrison	1976
* EG Chapman	1976
* TE Pears	1977
* JHH J Van Vuuren	1977

FJ Fraser	1978
AP Jacobsen	1978
* LE Davis	1979
* CA Robinson	1979
* MR Verster	1980
BS Zylstra	1981
* TL Richards	1931
FG Mayston	1982
APJ Dique	1982
RJ Nixon	1983
RG Hurry	1983
AKR Shoredits	1984
* D Meyer	1984
* EV Hulme	1985
* CH Kreunen	1985
* I Mc Alpine	1986
C de Jong	1986
* GP Volck	1987
* VC Moore Jnr	1987
HA Benadie	1988
RM Giuricich	1988
FM Beeslaar	1989
* PH Watters	1989
C de Kock	1990
* MG Gibb	1990
* H Kroon	1991
A van den Berg	1991
HJ Bosch	1992
WJ Hulscher	1992
JS Pieterse	1993
KJ Elgie	1993
JH Venter	1994
TA Hinton	1994
KJ Faithfull	1995
GD Irons	1995
* NL Klopper	1996
JR Barrow	1997
NF Maas	1998
PB Rüde	1999
PF Martins	2000
WC Fourie	2001
R Lavarinhas	2002
C Hattingh	2003
* E Forbes (Ms)	2004/5
NM Duncan	2006/7
LT Smith	2008/9
C Roberg	2010
H Bester	2011/13
L Smith	2014/15
C Venter	2015
T Riley	2016
J Wilmot	2017
M Shangase	2018/19
W Albertyn	2020/21
S Mokawane	2022/23

* Deceased

What is a MASTER BUILDER?

A MASTER BUILDER is a contractor or sub-contractor operating within the Built Environment who has been working in the environment for more than 3 years, has proficiency in one or more of the building crafts and is qualified to supervise building construction - having completed projects that can be verified, while adhering to strict requirements. While the Association is a voluntary body, the Association expects its members to maintain a high standard of workmanship and has accordingly drawn up a CODE OF ETHICS which members are required to adhere to.

CODE OF ETHICS FOR A MASTER BUILDER
A member shall conduct their business in a just and honourable manner and shall, in their dealings with clients, with members of the professions, other contractors, sub-contractors, suppliers and employees, maintain at all times the high standard of business integrity required by the Association.

SKILL
A member is required to possess the necessary technical qualifications, knowledge and practical experience or to employ, in a position of responsibility, a person or persons possessing such qualifications, knowledge and experience to ensure that all building projects are carried out in an efficient, competent and economical manner.

INTEGRITY
A member is expected to satisfy the building requirements of his clients and/or fellow members by complying with the spirit as well as the letter of his contractual obligations and to handle all business transactions with fairness and honour.

RESPONSIBILITY
A member is expected to organise his business administration effectively, to maintain adequate financial resources for the proper discharge of all contractual obligations, to assist, wherever possible, in the training of the skilled manpower needs of the Building Industry and where applicable, to comply with all wage regulating measures for the Building Industry. A member is expected to try to persuade all qualified and suitable firms to join and strengthen the Association.

MEMBERSHIP CRITERIA
A number of basic requirements must be in place before a company can be considered for membership.

1. Have operated in the Building Industry for a minimum of 3 years, or have a senior person employed in this role with construction related qualifications.
2. Be registered with the Companies & Intellectual Property Commission.
3. Have an active bank account.
4. Have a valid Tax Clearance certificate.
5. Be registered with the Workmen's Compensation Fund.
6. Supply a list of references.
7. Provide a list of all completed projects.
8. Be registered with the mandatory regulatory bodies in the construction industry.

REVIEWS & UPDATES

2025

PRESIDENT'S REVIEW

Liana van der Walt

Our proud innovation, entrepreneurship, mission and vision took us through our 120 years of existence as Master Builders Association North. There were various Recessions, World Wars I and II, and now recovering from the Covid aftermath. We have overcome these atrocities.

The sad effects; Our major contracting members moving to KZN and the Western Cape following the local immigration and other businesses. The new export tariffs as well as the closing of various manufacturing plants in our Northern provinces also took its toll.

At Master Builders South Africa (MBSA) Congress held on 5 September 2025, the Minister of Public Works and Infrastructure Mr Dean McPherson gave a vision for transformation for South Africa into a "construction site" through accelerated infrastructure delivery, job creation, and economic stimulation. We are looking positively forward to this.

Furthermore, at the National Construction Summit held in Boksburg on 13 and 14 November 2025, our President, Cyril Ramaphosa promised a One Billion Rand for infrastructure over a period of three years. He re-affirmed the construction sector's critical role in creating jobs. The President said the government will resolve and act against criminal elements and unethical practices within the industry which is in line with the Ministry of Public Works and Infrastructure.

The Summit concluded with key resolutions. The Ministry of Public Works and Infrastructure, which will guide the sector going forward: improving industry performance and productivity; advancing sustainability, infrastructure resilience, and innovation; transforming the sector through skills development, inclusivity, and fair procurement; and strengthening governance and regulatory compliance. The construction industry as the biggest employer in the country have pivotal role in driving infrastructure-led growth, employment creation, thereafter socio-economic development will follow.

As President, we thank our auditors, my fellow Office Bearers (the Board of MBA North), the EXCO, as well as our committed staff for their dedicated services for our AGM financial publication. We are proudly part of our growth, innovation, and success towards the Construction Industry.

"I extend my sincere gratitude to my fellow Office Bearers, the Board of MBA North, and our dedicated staff for their unwavering support, cooperation, and commitment.

~ Liana van der Walt ~

EXECUTIVE DIRECTOR REVIEW

Mohau Mphomela

The 2024/2025 financial year was a period of reflection, refocus and realignment for the Association. As a member-based organisation, we are a mirror of the building and construction industry we serve, and the realities faced by our members were equally reflected in our operations and performance during the year under review.

Recognising the evolving needs of our membership and the challenging operating environment within the industry, the Association deliberately refocused on its core mandate: delivering relevant, meaningful and differentiated value to members. A key priority for the year was membership retention, to be achieved through a comprehensive review of our member benefits and value proposition. We consciously moved away from a perceived "one-size-fits-all" approach and introduced clearer, more defined, quantified and differentiated benefits aligned to the various membership categories and levels. This enabled us to offer more customised, needs-driven services, reinforcing our commitment to being a solution-based Association that responds to the day-to-day challenges faced by our members.

The year commenced with a strategic engagement session held on 20 February 2025 with the CEOs and Managing Directors of the Association's top 30 main contractor members. This well-attended meeting provided valuable insight into the key focus areas and priorities that our largest members expect the Association to address going forward. The outcomes of this engagement have given clear direction to the Association and continue to inform our programmes and advocacy efforts. Similar engagement sessions were held with members across other categories to reinforce the value of membership and to ensure that the challenges and concerns of all members were heard and addressed. While attendance could have been stronger, we remain appreciative of the members who actively participated and contributed meaningfully to these engagements.

"Together, we can achieve more".

~ Mohau Mphomela ~

Financially, the year was challenging. The Association experienced a decline in income driven largely by external market conditions. A notable migration of major contractors to the Western Cape, where construction activity remained buoyant, contrasted sharply with reduced project availability in Gauteng. This shift impacted both membership numbers and subscription collections, particularly among smaller contractors who were themselves struggling to secure work. As a result, operational costs placed increased pressure on cash flow, necessitating difficult but necessary cost-containment measures. During this period, the Association also regrettably lost some long-serving staff members as we were unable to remain competitive in retaining key skills.

Our primary income streams—membership subscriptions, Construction Health and Safety (CHS) services and the CHS grant—remained constrained throughout the year. However, the Association was significantly supported by the outstanding performance of our Marketing and Business Development Division, led by Ms Amisha Chunderduth. Through the successful execution of flagship events such as the Annual Dinner and Golf Day, the division achieved an impressive 52% year-on-year growth. This success would not have been possible without the continued support of our valued partners, including Builders Warehouse (Massmart), AfriSam, Tiefenthaler Legal, Civilsure, BCIMA and FEM, as well as the many member companies that consistently step forward to support the Association, including WBHO, Archstone, GVK-Siya Zama, Tiber and Concor.

Looking ahead, Marketing and Business Development will continue to play a pivotal role in positioning and strengthening the Association's brand, enhancing visibility, and promoting the products and services we offer to both existing and prospective members, industry stakeholders and partners.

In closing, the future strength and relevance of the Association depend on the active engagement and participation of its members. Only by working together can we collectively navigate industry challenges and build a sustainable, resilient Association.

CONSTRUCTION HEALTH & SAFETY

A safe working environment remains fundamental to the success and sustainability of the construction industry. MBA North continues to support its members through the provision of professional Occupational Health and Safety (OHS) services, aimed at ensuring effective implementation of and compliance with the OHS Act and its Regulations.

In collaboration with key industry stakeholders, MBA North remains committed to advancing health and safety standards and promoting a culture of compliance across the construction sector. During the reporting period, the Construction Health & Safety (CHS) Department provided a comprehensive range of support services, including:

- Development and implementation of site-specific OHS management plans and systems
- Site inspections and audits
- Health and safety documentation and compliance support
- OHS training and awareness programmes
- Telephonic advice and guidance
- Wayleave permits
- Assistance with legal health and safety matters
- Deployment of CHS Officers for on-site project support

To further support members, an affordable OHS compliance package - comprising a Health and Safety File, IWH guidelines, and a copy of the latest OHS Act - was made available at a discounted rate to MBA North members and FEM policyholders.

The CHS Department continued to prioritise stakeholder engagement through bi-monthly health and safety forums, held in partnership with key role-players in the industry. These forums provided a valuable platform for discussion on current health and safety challenges, legislative updates, and best practices. During 2025, the Department also hosted an online OHS compliance webinars covering the following key topics:

- **27 February 2025 – "Approaching high rise construction with a firm foot & backup plan".**
- **23 April 2025 – "How will the draft construction regulations 2025 influence the construction Industry".**
- **16 July 2025 – "Foreign nationals in construction".**
- **16 October 2025 – "Competency in the construction sector".**

We express our heartfelt appreciation to the following partners for their continued support and endorsement of the above initiatives; the Federated Employers Mutual Assurance Company (FEM), The Building and Construction Industry Medical Aid Fund (BCIMA), OHS Care, South African Institute of Occupational Safety and Health (SAIOSH), MBA Greater Boland (MBA GB), Builders Warehouse-A Division Of Massmart Retail (Pty) Ltd, Institute for Work at Height (IWH) and South African Council for the Project and Construction Management Professions (SACPCMP).

Regional Safety Competition

The objective of the Safety Competition is to provide a platform for companies to benchmark their Health and Safety (H&S) management systems and implementation against industry peers across Gauteng, Mpumalanga, Limpopo, and the North-West provinces.

A total of 75 entries were received, comprising 19 principal contractors and 8 subcontractors, collectively representing projects with a value exceeding R13.4 billion. This reflects a 12% increase in entries compared to 2024, which recorded projects valued at R13.3 billion. Notably, 93% of entries achieved a 5-star grading certificate, demonstrating an exceptional level of compliance with applicable legislation and industry best practices within the MBA North region and beyond.

The Regional Safety Awards ceremony was successfully hosted on 21 August 2025, recognising excellence in health and safety performance across the region.

Master Builders South Africa (MBSA) National Safety Competition

The country's construction and building industry recently came together for the prestigious Master Builders National Awards, recognising projects and yards that exemplify outstanding health and safety practices.

MBA North proudly submitted entries in 9 of the 11 award categories, reflecting its commitment to safety and quality. These efforts were honoured with four first-place awards, one second-place award, and three fourth-place awards, underscoring our ongoing dedication to excellence in the construction and building sector.

The National Safety Awards were held on 5 September 2025 at the Sun City Convention Centre in North-West, providing a platform to celebrate achievements that set industry benchmarks.

MBA North remains steadfast in promoting best practices in health and safety across the region, ensuring that members and FEM policyholders continue to benefit from a strong culture of professionalism and safe working environments.

MBA North CHS Training

MBA North proudly partners with Legricon to help our members and industry stakeholders not only comply with essential OHS standards but also strengthen their knowledge and skills. Through this collaboration, members gain access to a variety of training modules at discounted rates, including online Legal Liability and Construction Regulations courses - supporting both compliance and professional development within the construction industry.

CHS Events

MBA North partnered with the University of Pretoria's Faculty of Health Sciences, to facilitate industry exposure for 45 Occupational Medicine and Health students through structured construction site visits. Accompanied by MBA North CHS Officers, the students were allocated across the following construction sites: WBHO Construction – Vantage Data Centre JNB 12-1; Tiber Construction – Sandton Gate Phase 2; W3O – Monte Circle Building G; and VIVA Projects Johannesburg – Rivonia Apartments.

"In collaboration with key industry stakeholders, MBA North remains committed to advancing health and safety standards and promoting a culture of compliance across the construction sector."

~ Gerhard Roets ~

The initiative provided students with firsthand insight into live construction environments, with a focus on hazard identification, risk management, and safety controls. This collaboration strengthened industry–academic partnerships, supported skills development within the construction sector, and contributed to the advancement of a strong safety culture aligned with sustainable industry practices.

MBA North, in collaboration with the National Institute for Occupational Health (NIOH), hosted its third annual World AIDS Day commemoration on 2 December 2025 at its Midrand offices, marking the 37th year of World AIDS Day globally. The event aligned with the 2025 global theme, "Overcoming Disruption, Transforming the AIDS Response," and brought together more than 30 delegates in partnership with various stakeholders to raise awareness of HIV/AIDS and demonstrate collective solidarity in addressing the ongoing pandemic.

The programme featured insightful keynote addresses by Mr Siphiwe Mabhele from International Labour Organisation (ILO) and Ms Monique Muhali from NIOH. The commemoration concluded with a candlelight ceremony, honouring those who have lost their lives to AIDS-related illnesses and reaffirming support for individuals living with HIV.

Training on the Move (TOM)

TOM initiative delivers on-site OHS awareness training to all MBA North members and can be deployed to any construction site or premises. The programme utilises audio-visual equipment to enhance engagement and ensure the effective communication of critical OHS information to MBA North members, FEM policy holders, and contractors.

In 2025, the TOM initiative reached more than 3 150 employees, and has cumulatively benefited at least 21 150 employees over the past six years, reinforcing MBA North's ongoing commitment to improving health and safety awareness across the construction industry.

CHS Department

The CHS Department comprises five dedicated CHS Officers who are fully committed to providing comprehensive OHS support to MBA North members and FEM Policy holders.

As MBA North continues to grow as a leading industry association, our partnerships with key sponsors including FEM, SACPCMP, BCIMA, and OHS Care remain essential to our success. We are sincerely grateful for their ongoing support.

We also extend our heartfelt thanks to our members for entrusting the CHS Department with the responsibility of enhancing, maintaining, and positively influencing the health and safety standards within their organisations. At our core, we are a people-focused business, and the value we create is driven by the strength of the relationships we build and nurture.

BUSINESS DEVELOPMENT & MARKETING

Amisha Chunderduth

Member Engagement, Events, Training and Growth
In 2025, the Marketing and Business Development Department recorded significant year-on-year growth of 52%, reflecting increased activity, expanded engagement initiatives and strengthened partnerships. This growth was largely driven by the efficient delivery of a robust programme of member-focused events, practical training and targeted communication initiatives, achieved within budget and focused on member value.

Throughout the year, the department successfully hosted a range of well-attended and relevant sessions and events, including:

- **Contractor Engagement Session** – 18 February 2025
- **How to Quote Training** – 27 February 2025
- **Practical Guide to the MBSA Domestic Subcontract Agreement Workshop** – 25 March 2025
- **Measuring Quantities Training** – 3 April 2025
- **Marketing and Sales Training** – 15 May 2025
- Member Engagement and Welcome Session – 29 May 2025
- **Golf Day** – 9 July 2025
- **Annual Dinner and Safety Awards** – 21 August 2025

These engagements provided members with opportunities to gain practical knowledge, stay informed on contractual and compliance matters, and build meaningful connections within the industry. The department also released a number of newsletters and other communication throughout the year, keeping members informed of changes, events and developments within the Association.

Training Partnerships and Skills Development
MBA North continued its successful training partnership with BuildAid, ensuring members had access to practical, contractor-focused courses. These included:

- **How to Quote**, supporting members in improving accuracy and profitability.
- **Measuring Quantities from Building Plans**, enabling better cost control and planning.
- **Marketing and Sales Training**, equipping small and medium contractors with tools to grow sustainably.

These courses remain a key value offering and continue to address common challenges faced by contractors in the industry.

Partnerships and Sponsorships
MBA North welcomed new strategic partners in 2025, further strengthening the Association's value proposition.

A notable addition was CivilSure insurance who partnered with MBA North to assist contractors in managing and understanding construction risk through specialist insurance solutions and advisory services.

Tiefenthaler Legal came on board as the main partner of the 2025 Golf Day, while AfriSam, Builders Warehouse and the Building Construction Industry Medical Aid Fund (BCIMA) supported initiatives such as the Golf Day and Annual Dinner and Awards evening. These partnerships played an important role in enhancing member events and engagement, and the Association aims to further grow and strengthen these relationships in 2026.

Marketing, Communications and Public Relations
Public relations remained a key focus area as the Association continued to release publications addressing critical industry topics affecting members, some of which resulted in radio and television interviews, further amplifying the Association's voice.

Key topics addressed included:

- Construction health and safety legislation
- The risks and consequences of inaccurate quoting
- A co-authored article with CivilSure focusing on helping contractors avoid the costly consequences of overlooked project risks

These initiatives helped position MBA North as a trusted industry voice, advocating for contractors while raising awareness among stakeholders.

"Looking ahead to 2026, the focus will be on expanding partnerships, increasing member engagement, and continuing to provide high-impact training and events that respond directly to the evolving needs of contractors."

~ Amisha Chunderduth ~

Conclusion
During the year, the department remained committed to delivering relevant engagement, practical training and strategic partnerships that support the sustainability and growth of our Association and its members.

We extend our sincere thanks to all our members, partners, sponsors and service providers for their continued support and participation. Your involvement remains essential to the success and growth of MBA North.

Brad Boertje
C&L Consultant

From our Commercial Desk

The Legal and Contractual (L&C) Division continues to play a vital support role within the Association by providing alternative dispute resolution (ADR) facilitation and contractual guidance to both members and non-members. As is typical within the construction industry, the level of activity within the Division is closely linked to the volume of construction projects underway at any given time.

During the 2024/2025 reporting period, construction activity in the northern provinces remained subdued. This ongoing slowdown had a direct impact on the number of disputes requiring formal intervention. Unfortunately, the slow pace experienced in 2024 persisted into 2025, resulting in only five (5) applications for the nomination of adjudicators or arbitrators being processed during the year. This figure mirrors the total number of applications received in 2024 and represents a significant decline when compared to the eleven (11) applications received in 2023. While lower dispute volumes reduce formal casework, they are reflective of broader economic and industry challenges rather than a reduction in the need for contractual awareness and support.

"Increased participation will not only strengthen individual businesses but will also contribute to a more informed, resilient, and sustainable construction industry overall."

- Brad Boertje -

In an effort to enhance practical knowledge within the industry, the Division attempted to launch the Domestic Subcontractors Practical Guide through a structured training programme. Despite extensive marketing efforts and the course being offered at a highly subsidised cost, only one online training session was ultimately conducted due to limited member participation. This outcome was disappointing, particularly given the ongoing contractual challenges faced by subcontractors across the sector.

Notwithstanding the reduced uptake of formal training, the L&C Division continued to provide meaningful support to members throughout the year. Free advice and informal opinions were offered to a significant number of members, with particular emphasis on assisting smaller operators who do not have access to in-house legal, commercial, or contractual expertise. This support remains a critical component of the Division's mandate and continues to add tangible value to membership.

In addition, the Division successfully hosted three subcontractor meetings during the year. These engagements focused on key issues affecting subcontractors, including delayed payments, unilateral contract amendments by main contractors and professional agents, the management and release of retention monies, and improved understanding of JBCC contracts as well as the MBSA Subcontractors Practical Guides. These sessions provided an important platform for discussion, awareness, and shared learning among participants.

In closing, the continued low participation in training workshops, seminars, and webinars remains a concern, as it contributes to the persistence of many of the challenges subcontractors face. The L&C Division strongly encourages members to engage more actively with these initiatives to fully benefit from the support and resources made available.

MBA NORTH STAFF

2025

Back Left to Right:
Mbuya Ramabulana, Natalie Letsekga, Manie van As, Gerhard Roets, Sello Tumahole

Front Left to Right:
Sheilla Mofokeng, Irene Nhlapo, Mohau Mphomela, Matseko Letsoela, Amisha Chunderduth, Corlie Dawson

Tiefenthaler Legal: Specialists in Construction, Engineering, and Mining Law

Tiefenthaler Legal is a leading South African law firm dedicated to providing clear, practical, and strategic legal advice in the fields of Construction, Engineering, Energy, Mining and Insurance law. With a strong focus on the industries shaping South Africa's infrastructure and economy, our team combines technical insight with deep legal expertise to deliver solutions that keep projects moving forward.

In addition to our legal advisory services, **Tiefenthaler Legal** provides specialised training programmes to members of MBA North, designed to strengthen practical, on-the-ground understanding of construction and engineering contracts. Our training covers the JBCC, NEC3 and NEC4 Suites of Contracts, FIDIC, GCC and IChemE, with a strong focus on administrative and operational procedures that directly impact project performance. Sessions address key aspects such as understanding contractual principles, payment applications and certificates, notices, claims management, the nature of claims in project agreements and the critical importance of procedural compliance. We also guide participants through dispute avoidance and resolution mechanisms, including mediation, adjudication and arbitration, clarifying the practical path to settling disputes efficiently. In addition, our training offerings includes insurance for the built environment, explaining how cover operates in practice, how claims arise, and the claims management process. Training sessions are also available that address the specific contractual principles applicable to operations and maintenance agreements.

OUR TEAM

Greg Spencer – Director
greg@constructionlaw.co.za | +27 81 482 2759

Greg brings over a decade of experience in construction, engineering, energy, mining and manufacturing law, with a strong focus on project management, contract risk management and dispute resolution. He advises across the full project lifecycle, from the preparation of tender documentation and standard-form or bespoke contracts to the resolution of complex disputes arising from major infrastructure and building projects.

Greg has acted for a wide range of industry participants, including employers, EPC contractors, engineering consultants and contractors, particularly within the power generation and oil and gas sectors. His practice is distinguished by his ability to manage technically complex, multi-disciplinary matters, combining legal precision with a practical understanding of engineering and commercial realities.

Tshepiso Mabena – Senior Associate
tshepiso@constructionlaw.co.za | +27 76 688 3665

Tshepiso has a strong practical foundation in the construction, mining and engineering sectors, having started his career in operational and management roles within the built environment. With over six years' industry experience, he has been closely involved in on-site dispute management, risk mitigation and contract administration, including the training of construction managers on tendering processes and project risks.

Tshepiso has managed large-scale projects valued at approximately R3 billion across South Africa and brings hands-on insight into construction contracts such as GCC, JBCC, NEC and FIDIC. Since his admission as an attorney, he has been actively involved in adjudications and arbitrations, representing both local and international clients, supported by his combined legal and civil engineering qualifications.

EVENTS

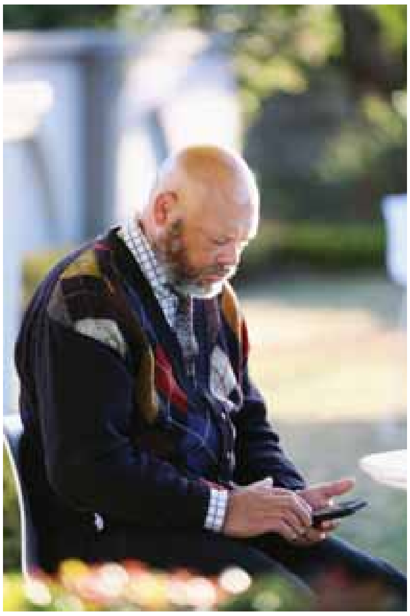
2025

CHS AWARDS & ANNUAL DINNER

2025

































































CHS AWARDS & ANNUAL DINNER

GOLF DAY


AfriSam
CHOOSE CONCRETE
THAT ALWAYS
FOLLOWS
THROUGH


NITRO
MBA NORTH


TIEFENTHALER
MBA NORTH
IS YOUR BUILDER
A MASTER BUILDER?
TIEFENTHALER


Wingate Park


TIEFENTHALER


TIEFENTHALER


TIEFENTHALER


TIEFENTHALER


BUILDING STRENGTH
GVK-SIYA ZAMA
CONSTRUCTION


BUILDING STRENGTH


builders


STAR-A-LOAD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MBA NORTH WWW.MBANORTH.CO.ZA

TIEFENTHALER

COROBRIK





GVK-SIYA ZAMA
CONSTRUCTION


TIEFENTHALER














ejm


Standard Bank


CivilSure
CivilSure

THANK YOU

Annual Financial Statements
sponsored by
Tiefenthaler Legal

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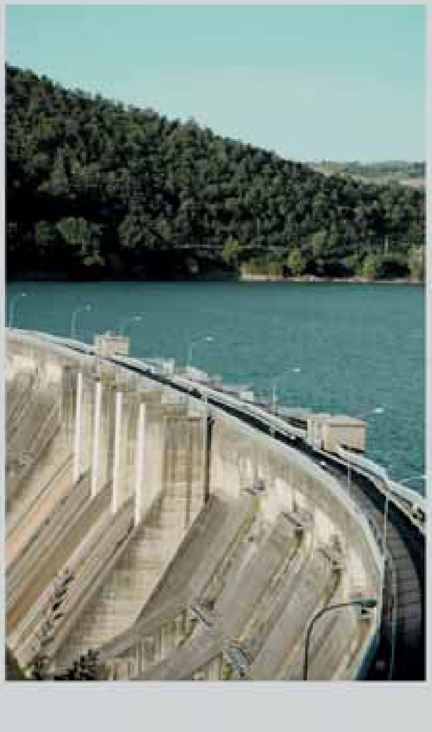

LEGAL SOLUTIONS DRIVEN BY INDUSTRY SPECIALISTS


$6,000.00
$3,000.00
$1,500.00
Actual Summary
Budget

FINANCIAL STATEMENTS 2025

MASTER BUILDERS ASSOCIATION NORTH
CMA OFFICE & CONFERENCE PARK
NO 1 - 2ND ROAD (OFF 16TH ROAD)
HALFWAY HOUSE, MIDRAND

TEL: 0861 MBA NORTH (622 667)
011 805 6611
EMAIL: info@mbanorth.co.za

www.mbanorth.co.za

NOTICE GIVEN OF THE MASTER BUILDERS ASSOCIATION NORTH ONE HUNDRED AND TWENTY-SECOND ANNUAL GENERAL MEETING

You are invited to attend the one hundred and twenty-second Annual General Meeting of the Master Builders Association North, which will take place at CMA Office Park, No 1 Second Road, Halfway House, Midrand on **Thursday, 05 February 2026** at **13:00.** An email invite has been sent to you.

Please RSVP with Matseko Letsoela via email on matseko@mbanorth.co.za or call 011 805 6611.

Your attendance will be highly appreciated.

Kind regards
Matseko Letsoela
Master Builders Association North

Master Builders Association North

Annual Financial Statements
for the year ended 31 October 2025

These annual financial statements were prepared by:
ST Dawson (AGA) SA
Issued 20 January 2026

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Operational Health and Safety Training in the Construction Environment
Executive Director	M Mphomela
Registered office	CMA Office & Conference Park, No 1, Second Road Halfway House, Midrand 1685
Business address	CMA Office & Conference Park, No 1, Second Road Halfway House, Midrand 1685
Postal address	PO Box 4841 Halfway House 1685
Bankers	ABSA Group Limited
Auditors	L Reyneke & Associates Inc. Chartered Accountants (SA) Registered Auditors
Issued	20 January 2026

Index

The reports and statements set out below comprise the annual financial statements presented to the shareholder:

The following supplementary information does not form part of the annual financial statements and is unaudited:

Published

20 January 2026

Executive Committee's Responsibilities and Approval

The Executive Committee is required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the association as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the . The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Executive Committee acknowledges that they are ultimately responsible for the system of internal financial control established by the Association and place considerable importance on maintaining a strong control environment. To enable the Executive Committee to meet these responsibilities, the Executive Committee sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Association and all employees are required to maintain the highest ethical standards in ensuring the Association’s business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Association is on identifying, assessing, managing and monitoring all known forms of risk across the Association. While operating risk cannot be fully eliminated, the Association endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Executive Committee is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Executive Committee have reviewed the Association’s cash flow forecast for the year to 31 October 2026 and, in the light of this review and the current financial position, they are satisfied that the association has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out on pages 7 to 21, which have been prepared on the going concern basis, were approved by the on 20 January 2026 and were signed on its behalf by:

Approval of annual financial statements

President

Executive Director

Honorary Treasurer

Independent Auditor's Report

To the Members of Master Builders Association North

Opinion

We have audited the annual financial statements of Master Builders Association North (the Association) set out on pages 9 to 19, which comprise the statement of financial position as at 31 October 2025; and the statement of profit/ loss and other comprehensive income; the statement of changes in equity; and the statement of cash flows for the year then ended; and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Master Builders Association North as at 31 October 2025, and its financial performance and cash flows for the year then ended, in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the .

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Executive Committee is responsible for the other information. The other information comprises the information included in the document titled "Master Builders Association North annual financial statements for the year ended 31 October 2025", which includes the Executive Committee's Report as required by the and the supplementary information as set out on pages 20 to 21. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements 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.

L. REYNEKE & ASSOCIATES INCORPORATED Reg No: 1995/000503/21
Registered Auditors • Tax Advisors • Secretarial Practitioners • Management Consultants • Accountants

PHYSICAL ADDRESS: 5 Bauhinia Street, 30 Cambridge Office Park, Highveld Techno Park, Centurion, 0169
POSTAL ADDRESS: Postnet Suite 015, Private Bag X1007, Lyttleton, Gauteng, 0140 • **TELEPHONE:** (011) 315 4283

DIRECTOR: L. Reyneke, CA (SA) RA **ASSOCIATE:** ST Dawson, AGA (SA)

L. REYNEKE
& ASSOCIATES
INCORPORATED

Independent Auditor's Report

Responsibilities of the Executive Committee for the Annual Financial Statements

The Executive Committee is responsible for the preparation and fair presentation of the annual financial statements in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board, and for such internal control as the Executive Committee determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the Executive Committee is responsible for assessing the Association's’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Committee either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are 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 International Standards on Auditing 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 these annual financial statements.

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

- Identify and assess the risks of material misstatement of the annual financial statements, 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 Assocoation's’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Committee.
- Conclude on the appropriateness of the Executive Committee's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Executive Committee’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 annual financial statements 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

L. REYNEKE & ASSOCIATES INCORPORATED Reg No: 1995/000503/21
Registered Auditors • Tax Advisors • Secretarial Practitioners • Management Consultants • Accountants
PHYSICAL ADDRESS: 5 Bauhinia Street, 30 Cambridge Office Park, Highveld Techno Park, Centurion, 0169
POSTAL ADDRESS: Postnet Suite 015, Private Bag X1007, Lyttleton, Gauteng, 0140 • **TELEPHONE:** (011) 315 4283
DIRECTOR: L. Reyneke, CA (SA) RA **ASSOCIATE:** ST Dawson, AGA (SA)

Independent Auditor's Report

We communicate with the Executive Committee 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.

Leonard Reyneke CA (SA) RA
L Reyneke & Associates Inc
29 January 2026

Executive Committee's Report

The Executive Committee have pleasure in submitting their report on the annual financial statements of Master Builders Association North for the year ended 31 October 2025.

1. Incorporation

The Association is regulated in terms of Section 107 of the labour Relations Act, Act of 1995.

2. Nature of business

There have been no material changes to the nature of the Association's business from the prior year.

3. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities.The accounting policies have been applied consistently compared to the prior year.

The Association recorded a profit after tax for the year ended 31 October 2025 of R870 405. This represented an increase from the profit after tax of the prior year of R838 366.

4. Executive Committee

The Executive Committee in office at the date of this report are as follows:
A van Schalkwyk
C Micha
D Calitz
F Mothapo
G Morrow
J Correia
J Petla
L van der Walt
M Danisa
M Moloto
M Muller
M Mphomela
N Malefane
R Mallela
S Roos
S Sadapal
S Purbhoo
S Mokawane
T Nkomo
N Duncan
M Shangase
P Rude
N Maas
J Barrow
L Smith
K Motsepe
T Mndzebele

5. Executive committee's interests in contracts

During the financial year, no contracts were entered into which the executive committee members or officers of the Association had an interest and which significantly affected the business of the Association.

Executive Committee's Report

6. Events after the reporting period

The Executive Committee are not aware of any material event which occurred after the reporting date and up to the date of this report.

7. Going concern

The executive committee believe that the Association has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The executive committee have satisfied themselves that the Association is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The executive committee are not aware of any new material changes that may adversely impact the Association. The executive committee are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Association.

8. Auditors

L Reyneke & Associates Inc. continued in office as auditors for the Association for 2025.

Statement of Financial Position as at 31 October 2025

Figures in Rand	Note(s)	2025	2024
Assets			
Non-Current Assets			
Property, plant and equipment	2	7 334 870	7 349 948
Other financial assets	3	20 918 867	20 293 059
		28 253 737	**27 643 007**
Current Assets			
Inventories	4	36 798	14 244
Trade and other receivables	5	339 122	354 652
Cash and cash equivalents	6	1 689 076	1 568 613
		2 064 996	**1 937 509**
Total Assets		**30 318 733**	**29 580 516**
Equity and Liabilities			
Equity			
Reserves		1 265 000	1 265 000
Retained income		26 655 023	25 784 618
		27 920 023	**27 049 618**
Liabilities			
Current Liabilities			
Trade and other payables	7	2 398 710	2 530 898
Total Equity and Liabilities		**30 318 733**	**29 580 516**

Statement of Profit/ Loss and Other Comprehensive Income

Figures in Rand	Note(s)	2025	2024
Revenue	8	2 713 456	2 916 819
Other income	9	5 907 427	6 100 647
Operating expenses	10	(10 530 715)	(11 536 290)
Operating profit /(loss)		**(1 909 832)**	**(2 518 824)**
Investment revenue	11	770 029	892 367
Fair value adjustments	12	2 058 279	2 464 823
Finance costs	13	(48 071)	-
Profit for the year		**870 405**	**838 366**
Other comprehensive income		-	-
Total comprehensive income for the year		**870 405**	**838 366**

Statement of Changes in Equity

Figures in Rand	Revaluation reserve land and buildings	Retained income	Total equity
Balance at 01 November 2023	**965 000**	**24 946 252**	**25 911 252**
Profit for the year	-	838 366	838 366
Other comprehensive income	-	-	-
Total comprehensive income for the year	**-**	**838 366**	**838 366**
Revaluation	300 000	-	300 000
Total changes	**300 000**	**-**	**300 000**
Balance at 01 November 2024	**1 265 000**	**25 784 618**	**27 049 618**
Profit for the year	-	870 405	870 405
Other comprehensive income	-	-	-
Total comprehensive income for the year	**-**	**870 405**	**870 405**
Balance at 31 October 2025	**1 265 000**	**26 655 023**	**27 920 023**

Statement of Cash Flows

Figures in Rand	Note(s)	2025	2024
Cash flows from operating activities			
Cash used in operations	14	(2 468 887)	(2 555 811)
Investment income		770 029	892 367
Finance costs		(48 071)	-
Net cash from operating activities		**(1 746 929)**	**(1 663 444)**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(11 297)	(17 389)
Purchases of other financial assets		(523 162)	(391 931)
Proceeds from other financial assets		2 401 851	2 598 653
Net cash from investing activities		**1 867 392**	**2 189 333**
Total cash movement for the year		**120 463**	**525 889**
Cash and cash equivalents at the beginning of the year		1 568 613	1 042 724
Total cash at end of the year	6	**1 689 076**	**1 568 613**

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the , and the . The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Property, plant and equipment are tangible items that:
- are held for the use in the production or supply of goods or services, for the rental to others or the administrative purposes; and
- are expected to be used during more than one period.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, plant and equipment is carried at cost less accumulated depreciaiton and accumulated impairment losses.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings	Straight line	20 years, limited to residual value
Furniture and fixtures	Straight line	3 years
Motor vehicles	Straight line	10 years
IT equipment	Straight line	3 years

Gains or losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

Land is not depreciated. Buildings were not depreciated during the 2025 financial year as the residual value thereof was deemed to be equal to or exceed the building's net carry value.

Land and buildings will be revalueted on a regular basis to ensure that the residual value exceeds or is equal to the fair value.

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Accounting Policies

1.2 Financial instruments (continued)

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

1.3 Tax

Tax expenses

The association is exempt from income tax in terms of section 10(1) (d) (iv) (bb) of the Inocme Tax Act.
Exemption reference number: 930 007 608.

1.4 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:
- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor’s expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.5 Inventories

Inventories are measured at the lower of cost net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale

1.6 Impairment of assets

The Association assesses at each reporting date whether there is any indication that any assetsmay be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

Accounting Policies

1.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.8 Provisions and contingencies

Provisions are recognised when the Association has an obligation at the reporting date as a result of a past event; it is probable that the Association will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

1.9 Grants

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

1.10 Revenue

Revenue is recognised to the extent that the Association has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the Association. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest rate method.

Income comprises of membership subscriptions received.

1.11 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

2. Property, plant and equipment

	2025			2024		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Buildings	7 300 000	-	7 300 000	7 300 000	-	7 300 000
Furniture and fixtures	273 005	(261 580)	11 425	273 005	(258 428)	14 577
Motor vehicles	203 228	(203 227)	1	203 228	(203 227)	1
IT equipment	462 125	(438 681)	23 444	450 829	(415 459)	35 370
Total	**8 238 358**	**(903 488)**	**7 334 870**	**8 227 062**	**(877 114)**	**7 349 948**

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Depreciation	Closing balance
Buildings	7 300 000	-	-	7 300 000
Furniture and fixtures	14 577	-	(3 152)	11 425
Motor vehicles	1	-	-	1
IT equipment	35 370	11 297	(23 223)	23 444
	7 349 948	**11 297**	**(26 375)**	**7 334 870**

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Revaluations	Depreciation	Closing balance
Buildings	7 000 000	-	300 000	-	7 300 000
Furniture and fixtures	19 112	1 739	-	(6 274)	14 577
Motor vehicles	1	-	-	-	1
IT equipment	42 784	15 650	-	(23 064)	35 370
	7 061 897	**17 389**	**300 000**	**(29 338)**	**7 349 948**

Details of properties

Unit 1 SS Construction Park, Randjiespark Ext 48, 130, 0, City of Joburg, Gauteng.

Land is not depreciated. Buildings were not depreciated during the 2025 financial year as the residual value thereof was deemed to be equal to or exceed the building's net carr value.

Land and buildings were revalued by Swindan Property Valuations on 26 September 2024 using the Comparable sales approach.

3. Other financial assets

	2025	2024
At fair value		
Standard Bank Investments	6 819 245	7 734 872
Fair values are determined annually at the balance sheet date		
Bountique Collective Investments	14 099 622	12 558 186
Fair values are determined annually at the balance sheet date		
	20 918 867	**20 293 058**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

3. Other financial assets (continued)

Non-current assets		
At fair value	20 918 867	20 293 059

4. Inventories

Legal documents, training and marketing material	36 798	14 244

5. Trade and other receivables

Trade receivables	331 890	354 652
Other receivables	7 232	-
	339 122	**354 652**

6. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	2 403	2 024
Bank balances	1 686 673	1 566 589
	1 689 076	**1 568 613**

7. Trade and other payables

Trade payables	257 935	335 092
Amounts received in advance	1 640 800	1 651 892
Other payables	499 975	543 914
	2 398 710	**2 530 898**

8. Revenue

Membership fees	2 713 456	2 916 819

9. Other income

Profit on sale of investments	446 218	303 820
Courier services	190	656
L & C Consulting and Training Income	43 530	19 639
Sundry Income	487 142	183 799
Event Income	903 230	734 935
Sale of goods	99 873	138 916
CHS Consulting income	1 427 244	1 551 881
FEM Grants	2 500 000	3 167 001
	5 907 427	**6 100 647**

10. Operating expenses

Operating expenses include the following expenses:

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

10. Operating expenses (continued)

Remuneration, other than to employees, for:		
Auditor's remuneration - Audit fees	52 000	48 000
Auditor's remuneration - Other services	29 358	23 276
	81 358	**71 276**
Depreciation and amortisation	26 375	29 339
Employee costs	6 152 637	6 856 507

11. Investment revenue

Dividend and interest revenue	770 029	892 367

12. Fair value adjustments

Other financial assets	2 058 279	2 464 823

13. Finance costs

Interest Paid - Suppliers	46 617	-
Interest Paid - Other	1 454	-
	48 071	**-**

14. Cash used in operations

Net profit before taxation	870 405	838 366
Adjustments for		
Depreciation and amortisation	26 375	29 339
(Profit) /Loss on sale of investments	(446 218)	(303 820)
Investment revenue	(770 029)	(892 367)
Fair value (gains) losses	(2 058 279)	(2 464 823)
Finance costs	48 071	-
Changes in working capital:		
Inventories	(22 554)	1 044
Trade and other receivables	15 530	(161 979)
Trade and other payables	(132 188)	398 429
	(2 468 887)	**(2 555 811)**

15. Risk Management

Liquity Risk
The Association's risk to liquidity is a result of the funds available to cover future commitments. The Association manages liquidity risk through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

Credit Risk
Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The association only deposits cash with major banks with high quality credit standings and limits exposure to any one counter-party. Management evaluated credit risk relating to customers on an ongoing basis.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

15. Risk Management (continued)

Interest rate risk
Deposits and all attract interest at rates that varies with prime. The association policy is to manage interest rate risk so that fluctuation in variable rates do not have a material impact on income.

Master Builders Association North

(Registration number: LR2/6/3/7)
Annual Financial Statements for the year ended 31 October 2025

Detailed Income Statement

Figures in Rand	Note(s)	2025	2024
Revenue	8	**2 713 456**	**2 916 819**
Other income		**5 907 427**	**6 100 647**
Expenses (Refer to page 21)		**(10 530 715)**	**(11 536 290)**
Operating loss		**(1 909 832)**	**(2 518 824)**
Investment income	11	770 029	892 367
Fair value adjustments		2 058 279	2 464 823
Finance costs		(48 071)	-
Profit for the year		**870 405**	**838 366**

The supplementary information presented does not form part of the annual financial statements and is unaudited

Detailed Income Statement

Figures in Rand	Note(s)	2025	2024
Operating expenses			
Accounting fees		75 000	-
Advertising		-	311
Annual General Meeting		12 808	16 383
Auditors remuneration - Audit fees		52 000	48 000
Auditors remuneration - Other services		29 358	23 276
Bad debts		-	14 722
Bank charges		50 046	37 907
CHS costs		476 910	484 597
Consumables		10 389	16 569
Contract documents		65 544	124 454
Depreciation, amortisation and impairments		26 375	29 339
Employee costs		6 152 637	6 856 507
Entertainment expenses		-	7 157
Events expenses		225 001	182 009
Fuel and e-tolls		341 549	481 762
House keeping and cleaning		12 428	18 067
IT expenses		284 830	315 011
Insurance		99 842	76 059
Legal fees		174 334	181 685
MBAN Meeting expenses		5 393	11 061
MBSA fees		871 348	851 515
Management fees		106 713	110 922
Marketing expenses		174 730	326 313
Member workshops		49 305	-
Monthly services fees		66 654	68 452
Postage		874	1 127
Printing and stationery		292 114	266 308
Repairs and maintenance		12 243	27 444
Security		10 210	10 040
Subscriptions		-	265
Telephone and fax		94 158	86 810
Utilities		757 922	862 218
		10 530 715	**11 536 290**

THANK YOU

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Annual Financial Statements

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Master Builders Association North