QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION

FACT SHEET

MFR GUIDING STATEMENT 4
CALCULATING ACTUAL REVENUE FOR THE MINIMUM FINANCIAL REQUIREMENTS

EFFECTIVE OCTOBER 2023

Actual Revenue (or total income) for a licensee for a reporting year means all revenue the licensee receives during the reporting year, regardless of when the revenue became due and payable.

If a licensee is a trustee of a trust, the actual revenue includes all revenue received by the trust and for a trustee of a building trust account, all amounts held on trust under the trust account.

Only amounts received by the licensee as salary or wages, and amounts received for GST payable by the licensee are able to be disregarded.

A commonly asked question is - do I only need to report my Queensland construction income? No, it needs to be the total revenue from all sources.

What is “all sources”?

Any money coming in (other than wages received and GST payable) is considered revenue, even if it has nothing to do with building, and even if it is earned outside of Queensland or even Australia.

Revenue could be money gained from:

- Building and construction;
- Selling goods or materials;
- Rental or investment properties;
- Running a second business

Why do we need to know about income from all sources?

We licence the entity as a whole, not just the Queensland building component of that entity. The financial requirements are calculated on risk, so the larger the revenue or total income earned, the more risk = you need more assets to mitigate the potential debts.

For example:

A company has a warehouse where it sells timber, and it also builds fences. The fencing component is only 10% of their business, so why does QBCC need to know about the timber sales?

What happens if the fencing part of the business is going really well, but the timber sales are really down. If the timber sales cause the company to go broke, the fencing part will also go broke, and the suppliers and subcontractors of the fencing part would likely lose their money.

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