Fair Work Commission

6 November 2026

Karma Lord
Executive Officer
CFMEU - Construction and General Division, New South Wales Divisional Branch
Sent via email: klord@cfmeu.org
CC: mm@daley.com.au
michaelf@cfmeucdadministrator.com
hpatel@cfmeu.org

Dear Karma Lord

CFMEU - Construction and General Division, New South Wales Divisional Branch
Financial Report for the year ended 31 March 2026 – (FR2026/8)

I acknowledge receipt of the financial report for the year ended 31 March 2026 for the CFMEU - Construction and General Division, New South Wales Divisional Branch (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 10 August 2026.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report. The Commission will confirm these matters have been addressed prior to filing next year's report.

You must rotate your registered auditor

Correspondence was provided to the reporting unit on 10 August 2026, which alerted you that your registered auditor is approaching their statutory limit on how many consecutive financial years they are permitted to audit your financial report. The financial report lodged identifies that Michael Mundt was the reporting unit's registered auditor for this financial year. Our records indicate that you have now used your current registered auditor for five consecutive financial years, which is the statutory limit under section 256A.

Please ensure that Michael Mundt is not assigned to audit the financial report of the reporting unit for at least the following two financial years. Further information on the rotation of registered auditor requirement can be found via this link.

Nil activities – not disclosed

Item 20 of the reporting guidelines states that if any of the activities identified within items 9 – 19 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement.

The general purpose financial report contained nil activity information for all prescribed reporting guideline categories except the following:

- Item 13(i) – incur expenses due to holding a meeting as required under the rules of the organisation

Reporting Requirements

The Commission website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the section 253 reporting guidelines and a model set of financial statements.

The Commission recommends that reporting units use these model financial statements to assist in complying with the *Fair Work (Registered Organisations) Act 2009* (RO Act), the section 253 reporting guidelines and Australian Accounting Standards. Access to this information is available via this link.

If you have any queries regarding this letter, please call 1300 341 665 or email regorgs@fwc.gov.au.

Yours sincerely

Fair Work Commission

CFMEU Construction & General Division, NSW Divisional Branch

ABN: 37 317 397 120

Financial Statements

For the Year Ended 31 March 2026

Federally Registered Trade Union

CFMEU Construction & General Division, NSW Divisional Branch

ABN: 37 317 397 120

Financial Statements

For the year ended 31 March 2026

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CFMEU Construction & General Division, NSW Divisional Branch

ABN: 37 317 397 120

Administrator's Operating Report

For the year ended 31 March 2026

The Administrator presents its operating report of the CFMEU Construction & General Division, NSW Divisional Branch ("the Union") for the year ended 31 March 2026.

Review of principal activities, the results of these activities and any significant changes in the nature of those activities during the year

The principal activities of CFMEU Construction & General Division, NSW Divisional Branch during the financial year were:

- Implementation of Divisional Executive Decisions and the Administrators decision.
- Maintenance of Union Rules, Registrations and Affiliations.
- The negotiation of enterprise bargaining agreements and project agreements to improve wage rates and conditions of employment for members.
- The election and training of workplace Union delegates to strengthen workers' rights.
- The systematic checking of sites by Union organisers to maintain and improve workplace safety.
- The recruitment of members to the Union to increase Union strength.
- The training of Union officials and staff to better equip the Union to effectively represent and organise workers.
- The audit of employers to ensure compliance with agreement, award and statutory obligations.
- Assistance to workers and sub contract companies unpaid when contractors go bust.
- Representation and assistance to injured workers to assist them in respect of workers compensation and return to work.
- Representation and assistance to members unfairly sacked and victimised.
- The variation of awards to enhance the rights and entitlements of workers.
- Involvement in the broader trade union movement to strengthen trade union unity and influence.
- Media and other communications to our members and the broader community on issues affecting the rank and file to improve worker and community understanding of the role and relevance of the CFMEU and trade unionism.
- International Trade Union Unity.

There were no significant changes in the nature of the Union's activities occurred during the financial year.

Prior to the Union being placed into administration, a review of the operations and results of the Union was performed in the meetings of the Executive Officers and also at each meetings of the Committee of Management. These roles are now performed by the Administrator.

Operating results

The deficit for the Union for the year ended 31 March 2026 was $1,447,887 (2025: surplus of $3,389,196) and the Administrator believes that the activities of the Union have achieved their objectives for the financial year.

Significant changes in financial affairs

There were no significant changes in the financial affairs of the Union during the year.

CFMEU Construction & General Division, NSW Divisional Branch

ABN: 37 317 397 120

Administrator's Operating Report

For the year ended 31 March 2026

Events after the reporting date

On 17 April 2026, the Manufacturing Division de-amalgamated from the Construction, Forestry and Maritime Employees Union. As such, the Union has now changed its name to the CFMEU.

On 22 May 2026, Michael Crosby was appointed as the Administrator by Fair Work Commission replacing Mark Irving.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations or the state of affairs of the Union in future financial years.

Future developments

Likely developments in the operations of the Union and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Union.

Environmental issues

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

Right of members to resign

All members of the Union have the right to resign in accordance with Rule 11 of the Union Rules [and section 174 of the Fair Work (Registered Organisations) Act 2009].

Officers or members who are superannuation fund trustees or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position

No officer or employee of the Union acts:

i. as a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
ii. as a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Number of members

There were 24,760 members of the Union as at 31 March 2026 (2025: 25,080).

Number of employees

As at 31 March 2026 the Union had 44 full-time equivalent employees (2025: 32).

CFMEU Construction & General Division, NSW Divisional Branch

ABN: 37 317 397 120

Administrator's Operating Report

For the year ended 31 March 2026

Members of the Committee of Management

On 23 August 2024, the Union was put into administration by the Federal Government under the *Fair Work (Registered Organisations (CFMEU Construction and General Division Administration) Determination 2024.* As a result, the Committee of Management for the Union no longer exists from that date. The appointed Administrator has the power to approve these financial statements and has delegated this authority to the Executive Officer of the Union.

Members of the Administration

The name of each person who has been a member of the Administration of the Union at any time during the reporting period, and the period for which he or she held such a position is as follows:

Name	Period of appointment
Michael Crosby	16/6/25 - 22/5/26
Chris Christodoulou	1/4/25 - 31/3/26
Karma Lord	28/4/26 - present

Indemnification and insurance of officers and auditors

The Union has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor:

- indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against liability for the costs or expenses to defend legal proceedings

Signed in accordance with a resolution of the Administrator and is signed for and on behalf of the Administrator by:



Karma Lord
Executive Officer

Dated: 28 July 2026

CFMEU Construction & General Division, NSW Divisional Branch

ABN: 37 317 397 120

Administrator's Statement

For the year ended 31 March 2026

On 28 July 2026 the Administrator of the CFMEU Construction & General Division, NSW Divisional Branch passed the following resolution in relation to the general purpose financial report for the year ended 31 March 2026:

The Administrator declares that in its opinion:

(a) the financial statements and notes comply with the Australian Accounting Standards;
(b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
(c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the year to which they relate;
(d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
(e) during the financial year to which the general purpose financial report relates and since the end of that year:
    (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
    (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
    (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
    (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit, have been kept, as far as practicable, in a manner consistent with each of the reporting units of the organisation; and
    (v) where information has been sought in any request by a member of the reporting unit or the General Manager duly made under section 272 of the RO Act it has been provided to the member or the General Manager; and
    (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of the Administrator.



Karma Lord
Executive Officer

Dated: 28 July 2026

CFMEU Construction & General Division, NSW Divisional Branch

ABN: 37 317 397 120

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2026

	Note	2026 $	2025 $
Revenue from contracts with customers	3	**14,459,482**	18,018,307
Other income	3	**2,188,621**	2,767,454
		16,648,103	20,785,761
Employee benefits expense	4	**(9,204,785)**	(6,963,072)
Impairment of intangibles	9(a)	**-**	(2,936,797)
Capitation fees	4	**(1,516,503)**	(1,558,507)
Administration fee	18	**(1,700,000)**	(1,100,000)
Lease related expenses	7	**(684,978)**	(631,720)
Member benefits		**(440,685)**	(502,802)
Printing, stationery and postage		**(521,165)**	(470,857)
Motor vehicle expenses		**(436,266)**	(467,030)
Depreciation expense	8(a)	**(510,795)**	(425,152)
Legal costs	4	**(228,890)**	(317,557)
Insurance		**(517,676)**	(293,636)
Computer software and support		**(934,664)**	(264,790)
Telecommunications expense		**(250,387)**	(249,252)
Bad debts expense		**239,331**	(71,640)
Other expenses		**(1,388,527)**	(1,143,753)
		(18,095,990)	(17,396,565)
Result for the year		**(1,447,887)**	3,389,196
Other comprehensive income for the year		**-**	-
Total comprehensive income for the year		**(1,447,887)**	3,389,196

The accompanying notes form part of these financial statements.

CFMEU Construction & General Division, NSW Divisional Branch

ABN: 37 317 397 120

Balance Sheet

As at 31 March 2026

	Note	2026 $	2025 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		**8,858,090**	12,377,545
Trade and other receivables	5	**13,027,392**	2,458,886
Financial assets	6	**16,845,100**	27,590,294
TOTAL CURRENT ASSETS		**38,730,582**	42,426,725
NON-CURRENT ASSETS			
Property, plant and equipment	8	**3,548,549**	1,533,702
Intangible assets	9	**-**	-
Investments accounted for using the equity method	15	**-**	-
TOTAL NON-CURRENT ASSETS		**3,548,549**	1,533,702
TOTAL ASSETS		**42,279,131**	43,960,427
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	**2,728,178**	2,609,065
Employee benefits	11	**2,051,619**	2,404,016
TOTAL CURRENT LIABILITIES		**4,779,797**	5,013,081
NON-CURRENT LIABILITIES			
Employee benefits	11	**15,424**	15,549
TOTAL NON-CURRENT LIABILITIES		**15,424**	15,549
TOTAL LIABILITIES		**4,795,221**	5,028,630
NET ASSETS		**37,483,910**	38,931,797
EQUITY			
Retained earnings		**37,483,910**	38,931,797
TOTAL EQUITY		**37,483,910**	38,931,797

The accompanying notes form part of these financial statements.

CFMEU Construction & General Division, NSW Divisional Branch

ABN: 37 317 397 120

Statement of Changes in Equity

For the year ended 31 March 2026

	Retained Earnings $
Balance at 1 April 2025	**38,931,797**
Result for the year	**(1,447,887)**
Balance at 31 March 2026	**37,483,910**
Balance at 1 April 2024	35,542,601
Result for the year	3,389,196
Balance at 31 March 2025	38,931,797

The accompanying notes form part of these financial statements.

CFMEU Construction & General Division, NSW Divisional Branch

ABN: 37 317 397 120

Statement of Cash Flows

For the year ended 31 March 2026

	Note	2026 $	2025 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers and contributions		**15,701,994**	19,364,396
Payments to suppliers and employees		**(19,343,900)**	(14,412,198)
Payment for short term leases		**(684,978)**	(631,720)
Net cash provided/(used) by operating activities	19(a)	**(4,326,884)**	4,320,478
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from/(payment for) financial assets - term deposits		**10,745,047**	1,809,720
Interest received	24	**1,266,722**	2,107,454
Payments for plant and equipment		**(1,377,969)**	(856,675)
Payments for intangible assets and deposits		**-**	(2,130,320)
Proceeds from sale of plant and equipment		**173,629**	320,586
Loans to related parties		**(10,000,000)**	-
Net cash provided/(used) by investing activities		**807,429**	1,250,765
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net cash used by financing activities		**-**	-
Net increase/(decrease) in cash and cash equivalents held		**(3,519,455)**	5,571,243
Cash and cash equivalents at beginning of year		**12,377,545**	6,806,302
Cash and cash equivalents at end of year		**8,858,090**	12,377,545

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2026

1 Material Accounting Policy Information

(a) Basis of preparation

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the Fair *Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Union is a not-for-profit entity.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

Material accounting policy information relating to the preparation of these financial statements is presented below, and is consistent with prior reporting periods unless otherwise stated.

(b) Principles of consolidation

Joint arrangements

AASB 11 *Joint Arrangements* defines a joint arrangement as an arrangement of which two or more parties have joint control and classifies these arrangements as either joint ventures or joint operations.

CFMEU Construction & General Division, NSW Divisional Branch has determined that it has both joint ventures and joint operations.

Joint ventures

Joint ventures are those joint arrangements which provide the venturer with right to the net assets of the arrangements. Interests in joint ventures are accounted for using the equity method in accordance with AASB 128 *Associates and Joint Ventures*. Under this method, the investment is initially recognised as cost and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss and other comprehensive income of the investee after the date of acquisition.

If the venturer's share of losses of a joint venture equals or exceeds its interest in the joint venture, the venturer discontinues recognising its share of further losses.

The venturer's share in the joint ventures gains or losses arising from transactions between a venturer and its joint venture are eliminated.

Adjustments are made to the joint ventures accounting policies where they are different from those of the venturer for the purpose of the consolidated financial statements.

Notes to the Financial Statements

For the year ended 31 March 2026

1 Material Accounting Policy Information (continued)

(b) Principles of consolidation (continued)

Joint operations

In relation to its joint venture operations, where the venturer has the rights to the individual assets and obligations arising from the arrangement, CFMEU Construction & General Division, NSW Divisional Branch has recognised:

- Its assets, including its share of any assets held jointly;
- Its liabilities, including its share of any liabilities incurred jointly;
- Its revenue from the sale of its share of the output arising from the joint operation;
- Its share of the revenue from the sale of the output by the joint operation;
- Its expenses, including its share of any expenses incurred jointly.

These figures are incorporated into the relevant line item in the primary statements.

Associates

Interests in associates, where the investor has significant influence over the investee, are accounted for using the equity method in accordance with AASB 128 *Associates and Joint Ventures*. Under this method, the investment is initially recognised as cost and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss and other comprehensive income of the investee after the date of acquisition.

(c) Revenue and other income

The Union enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, levies and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Union expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer;
2. Identify the performance obligations;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations; and
5. Recognise revenue as and when control of the performance obligations is transferred.

Notes to the Financial Statements

For the year ended 31 March 2026

1 Material Accounting Policy Information (continued)

(c) Revenue and other income (continued)

Revenue from contracts with customers (continued)

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Union have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

Membership subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Union.

There is only one distinct membership service promised in the arrangement. Accordingly, the Union recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Union promise to stand ready to provide assistance and support to the member as required.

For member subscriptions paid annually in advance, the Union has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Union at their standalone selling price, the Union accounts for those sales as a separate contract with a customer.

Levies

Levies paid by a member (or other party) in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Union transfers the goods or services that will transfer as part of its sufficiently specific promise to the other reporting unit.

In circumstances where the criteria for a contract with a customer are not met, the Union will recognise levies as income upon receipt.

Interest revenue

Interest revenue is recognised on an accrual basis using the effective interest rate method.

Notes to the Financial Statements

For the year ended 31 March 2026

1 Material Accounting Policy Information (continued)

(c) Revenue and other income (continued)

Volunteer services

During the year the Union did not recognise any volunteer services as revenue because it could not reliably measure the fair value of these services.

Other income

Other income is recognised on an accrual basis when the Union is entitled to it.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

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

(e) Income tax

The Union is exempt from income tax under section 50.1 of the *Income Tax Assessment Act 1997* however still has an obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

(f) Capitation fees and levies

Capitation fees and levies are recognised on an accrual basis and recorded as an expense in the year to which it relates.

(g) Cash and cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of three months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Notes to the Financial Statements

For the year ended 31 March 2026

1 Material Accounting Policy Information (continued)

(h) Financial instruments

Financial instruments are recognised initially on the date that the Union becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Union classifies its financial assets into the following categories, those measured at:
- amortised cost; or
- fair value through profit or loss ("FVTPL").

Financial assets are not reclassified subsequent to their initial recognition unless the Union changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:
- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Union's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the balance sheet.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost are measured at FVTPL. Net gains and losses, including any interest or dividend income are recognised in profit or loss.

Notes to the Financial Statements

For the year ended 31 March 2026

1 Material Accounting Policy Information (continued)

(h) Financial instruments (continued)

Financial assets (continued)

Contract assets and receivables

A contract asset is recognised when the Union's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Union's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of a financial assets has increased significantly since initial recognition and when estimating ECL, the Union considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Union's historical experience and informed credit assessment and including forward looking information.

The Union uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Union uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Union in full, without recourse to the Union to actions such as realising security (if any is held); or
- the financial assets is more than 6 months past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Union in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Notes to the Financial Statements

For the year ended 31 March 2026

1 Material Accounting Policy Information (continued)

(h) Financial instruments (continued)

Financial assets (continued)

Trade and other receivables

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Union has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Union renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Union measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Union comprise trade payables and lease liabilities.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Union transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Union performs under the contract (i.e., transfers control of the related goods or services to the customer).

1 Material Accounting Policy Information (continued)

(i) Leases

At inception of a contract, the Union assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Union has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Union has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

(i) Right-of-use asset

At the lease commencement, the Union recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Union believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

(ii) Lease liability

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Union's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Union's assessment of lease term.

Notes to the Financial Statements

For the year ended 31 March 2026

1 Material Accounting Policy Information (continued)

(i) Leases (continued)

(ii) Lease liability (continued)

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Union has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Union recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(j) Property, plant and equipment

Each class of property, plant and equipment is carried at cost, where applicable, any accumulated depreciation and impairment of losses.

Under cost model, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Union, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Furniture, Fixtures and Fittings	9 - 33%
Motor Vehicles	20%

At the end of each reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Notes to the Financial Statements

For the year ended 31 March 2026

1 Material Accounting Policy Information (continued)

(k) Intangible assets

Software

Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. Upon completion, the software capitalised by the Union is expected to have an estimated useful life of 10 years.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of the intangible assets, from the date that they are available for use. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Impairment is considered in accordance with note 1(l).

(l) Impairment of non-financial assets

At the end of each reporting period the Union determines whether there is evidence of an impairment indicator for non-financial assets. Where an indicator exists the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash generating unit (CGU) is estimated. The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash generating unit.

(m) Employee benefits

(i) Defined contribution schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

(ii) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Notes to the Financial Statements

For the year ended 31 March 2026

1 Material Accounting Policy Information (continued)

(m) Employee benefits (continued)

(iii) Other long-term employee benefit obligations

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(n) Going concern

The Union has agreed to provide financial support the Construction Forestry Mining and Energy Union (New South Wales Branch) Construction and General Division ("the State Registered Union") to ensure it can continue on a going concern basis. The State Registered Union is not a Reporting Unit for the purposes of the Fair Work (Registered Organisations) Act 2009.

The agreed financial support is to continue indefinitely. This is under an interest free arrangement with repayments, if any, to be made as required. As at balance date, there were no amounts payable to, and $126,642 owing from the State registered Union [2025: receivable of $136,652 - refer note 5(b)]. During the year ended 31 March 2026, no payments in relation to financial support were made to the State Registered Union. The agreement is also reciprocated by the State Registered Union, if required, however the Union is currently not reliant on this financial support to continue on a going concern basis.

(o) Related party disclosures

Related party disclosures in this financial report are presented on an accruals basis. Whilst the financial records of the Union have been kept, as far as practicable, in a manner consistent with each of the other reporting units of the organisation, the balances and transactions reported in this financial report may differ to those recorded in the financial report of the counterparty reporting unit. This may arise due to timing differences in the respective recordkeeping of the related reporting units, for example, in the receipt of payments, correspondence in transit or the alternative categorisation of balances/transactions.

Notes to the Financial Statements

For the year ended 31 March 2026

1 Material Accounting Policy Information (continued)

(o) Related party disclosures (continued)

From time-to-time, the National Office of the Construction & General Division of the CFMEU ("the National Office") coordinates various administrative activities on behalf of the Union. This includes the collation of certain costs, which are apportioned to the appropriate branches and invoiced in full. Accordingly, with the National Office merely being the facilitator of such transactions between the Union and independent third parties (and there is no profit component in recharging these costs), these are not considered to be related party expenditures of the Union and hence are not required to be disclosed.

Notwithstanding this, the transfer of funds to meet these obligations remain related party transactions, and accordingly have been disclosed in the related party transactions reported at note 18. Additionally, any amounts outstanding as at balance date between related parties have been disclosed at notes 5 or 10.

(p) Adoption of new and revised accounting standards

The Union has adopted all standards which became effective for the first time during the year ended 31 March 2026. None of the new standards had a material impact on the reported financial position of performance.

(q) New accounting standards and Interpretations not yet adopted

Certain new accounting standards have been published that are not mandatory for 31 March 2026 reporting periods and have not been early adopted by the Union. These standards are not expected to have a material impact on the Union in the current or future reporting periods and on foreseeable future transactions.

Notes to the Financial Statements

For the year ended 31 March 2026

2 Critical Accounting Estimates and Judgements

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

(a) Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date. Refer note 5(a).

(b) Key estimates - employee entitlements

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

(c) Key estimates - useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain property, plant and equipment**.**

Notes to the Financial Statements

For the year ended 31 March 2026

3 Revenue and Other Income

	Note	2026 $	2025 $
Revenue from contracts with customers			
- Membership subscriptions		**12,398,193**	15,544,623
- Fighting Levy - Compulsory		**1,438,492**	1,799,419
- Defend the Union National Campaign Levy - Compulsory		**255,703**	320,784
- Promotion and advertising reimbursements		**-**	9,904
- EBA services		**163,636**	268,496
- Attendance fees		**61,280**	77,056
- Direct advertising		**142,178**	(1,975)
		14,459,482	18,018,307
Other revenue			
- Distribution from joint venture	15	**-**	664,740
- Investment income	12(iii)	**1,288,390**	1,507,748
- Revenue from recovery of wages activity	21	**-**	-
- Other income		**900,231**	594,966
		2,188,621	2,767,454
		16,648,103	20,785,761

Refer to note 1(o) to further commentary in relation to the consistency of transactions and balances between reporting units.

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers has been disaggregated, the following table shows this breakdown:

Timing of revenue recognition		
- At a point in time	**2,061,289**	2,398,603
- Over time	**12,398,193**	15,544,623
Revenue from contracts with customers	**14,459,482**	17,943,226

Notes to the Financial Statements

For the year ended 31 March 2026

4 Result for the Period

The result for the period includes the following specific expenses

	2026	2025
	$	$
Employee benefits expense comprises:		
Holders of office*:		
- Wages and salaries	-	293,296
- Superannuation	-	76,372
- Leave and other entitlements	-	81,790
- Separation and redundancies	-	324,297
- Other employee expenses (Including payroll tax and FBT)	-	10,757
	-	786,512
Employees other than office holders:		
- Wages and salaries	**5,292,662**	3,888,506
- Superannuation	**1,098,198**	776,860
- Leave and other entitlements	**982,642**	877,111
- Separation and redundancies	**1,391,538**	306,955
- Other employee expenses (including payroll tax and FBT)	**439,745**	327,128
	9,204,785	6,176,560
Total employee benefits expense	**9,204,785**	6,963,072
Other expenses:		
Capitation fees paid to CFMEU C&G National Office	**1,516,503**	1,558,507
Compulsory Levy - National campaign levy paid to CFMEU C&G National Office	**149,060**	179,100
Affiliation fees:		
ACTU	-	191
Building Workers International	**72,824**	30,526
Newcastle Trades Hall	**6,684**	3,280
South Coast Labour Council	**3,018**	-
Unions NSW - Labor Council of NSW	-	2,123
Workers Health Centre	**1,682**	1,620
	84,208	37,740

*On 23 August 2024, the Union was put into administration by the Federal Government under the Fair Work (Registered Organisations (CFMEU Construction and General Division Administration) Determination 2024. From that date, no Officials have been employed by the Union.

Notes to the Financial Statements

For the year ended 31 March 2026

4 Result for the Period (continued)

The result for the period includes the following specific expenses (continued)

	Note	2026 $	2025 $
Donations - $1,000 or less		**1,000**	-
Donations - greater than $1,000		**15,198**	5,000
		16,198	5,000
Penalties - via RO Act or the Fair Work Act 2009		**-**	29,688
Legal costs - litigation*		**114,760**	157,152
Legal costs - other legal matters		**114,130**	160,405
		228,890	317,557

Refer to note 1(o) to further commentary in relation to the consistency of transactions and balances between reporting units.

*Included within the disclosure of the above legal costs in the 2025 year, were amounts relating to criminal legal proceedings instituted against former officers of the Branch. With the matters now complete, the expenditures are currently under investigation as to whether they are more accurately described as *unauthorised expenditures,* and potentially pursued for recovery (refer note 17). Until such time as these investigation are finalised, the nature of the expenditures remain appropriate to be disclosed as *legal costs.*

5 Trade and Other Receivables

CURRENT			
Trade receivables		**1,887,105**	2,135,194
Less: Allowance for unexpected credit losses	5(a)	**(1,387,576)**	(1,629,640)
Prepayments		**571,539**	531,118
Related party receivables	5(b)	**11,765,266**	1,299,320
Other receivables		**191,058**	122,894
		13,027,392	2,458,886

Notes to the Financial Statements

For the year ended 31 March 2026

5 Trade and Other Receivables (continued)

(a) Impairment of receivables

The Union applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the membership terms past due. The loss allowance provision is determined as follows, with the expected credit losses incorporating forward looking information:

31 March 2026	**Current**	**1 - 2 terms overdue**	**> 2 terms overdue**	**Total**
Expected loss rate (%)	***17.1***	***89.1***	**-**	
Gross carrying amount ($)	**408,054**	**1,479,051**	**-**	**1,887,105**
ECL provision	**69,952**	**1,317,624**	**-**	**1,387,576**
31 March 2025				
Expected loss rate (%)	*7.0*	*98.0*	-	
Gross carrying amount ($)	435,198	1,658,083	-	2,093,281
ECL provision	29,916	1,599,724	-	1,629,640

(b) Receivables from other reporting units and related parties

	Note	**2026 $**	**2025 $**
CFMEU Construction and General National Office			
- Deposit paid	5(c)	**1,158,683**	1,119,000
- Others		**479,941**	43,668
CFMEU Construction and General Queensland	5(d)	**10,000,000**	-
CFMEU Construction and General NSW State-Registered Union		**126,642**	136,652
		11,765,266	1,299,320

There were no doubtful debt provisions raised against receivables from other reporting units and related parties.

Refer to note 1(o) to further commentary in relation to the consistency of transactions and balances between reporting units.

Notes to the Financial Statements

For the year ended 31 March 2026

5 Trade and Other Receivables (continued)

(c) Deposit paid

Deposit paid relates to funds paid to the CFMEU C&G National Office in relation to the AS400 Modernisation Project. On 4 July 2025, the Administrator issued a determination to discontinue the AS400 project. The uncommitted balance of the deposit paid to the National Office will be used for the ongoing support and maintenance of the AS400 system until a new modern database system is secured. Refer to Note 9 for further commentary on this project.

(d) CFMEU Construction and General Queensland

In October 2025, the Union advanced $10 million to the CFMEU C&G Queensland Office, bearing 5% interest and payable in 12 months.

6 Financial Assets

	2026	2025
	$	$
Financial assets at amortised cost		
Term deposits	**16,830,413**	27,575,460
Financial assets at fair value through profit or loss		
Available-for-sale financial assets at fair value	**14,687**	14,834
	16,845,100	27,590,294

7 Leases

Union as a lessee

Information relating to the leases in place and associated balances and transactions are provided below.

Terms and conditions of leases

The Union has a number of leases over buildings which are on a month-to-month basis that have been classified as short term leases, and hence do not meet the recognition, measurement and disclosure requirements under AASB 16. Expenses relating to short term leases for the year ended 31 March 2026 is $684,978 (2025: $631,720).

Notes to the Financial Statements

For the year ended 31 March 2026

8 Property, Plant and Equipment

	2026	2025
	$	$
Land and buildings		
At cost	**1,400,000**	-
Furniture, fixture and fittings		
At cost	**868,152**	726,624
Accumulated depreciation	**(508,058)**	(376,681)
	360,094	349,943
Motor vehicles		
At cost	**2,286,445**	1,530,164
Accumulated depreciation	**(542,374)**	(396,261)
	1,744,071	1,133,903
Leasehold improvements		
At cost	**60,800**	60,800
Accumulated depreciation	**(16,416)**	(10,944)
	44,384	49,856
Total property, plant and equipment	**3,548,549**	1,533,702

Notes to the Financial Statements

For the year ended 31 March 2026

8 Property, Plant and Equipment (continued)

(a) Movements in carrying amounts of property, plant and equipment

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

	Land and Buildings	Furniture, Fixtures and Fittings	Motor Vehicles	Leasehold Improvements	Total
	$	$	$	$	$
Year ended 31 March 2026					
Balance at the beginning of year	-	349,943	1,133,903	49,856	1,533,702
Additions	1,400,000	141,527	1,096,442	-	2,637,969
Disposals - written down value	-	-	(112,327)	-	(112,327)
Depreciation expense	-	(131,376)	(373,947)	(5,472)	(510,795)
Balance at the end of the year	1,400,000	360,094	1,744,071	44,384	3,548,549

Notes to the Financial Statements

For the year ended 31 March 2026

8 Property, Plant and Equipment (continued)

(a) Movements in carrying amounts of property, plant and equipment (continued)

	Furniture, Fixtures and Fittings	Motor Vehicles	Leasehold Improvements	Total
	$	$	$	$
Year ended 31 March 2025				
Balance at the beginning of year	315,151	996,484	55,328	1,366,963
Additions	140,362	716,313	-	856,675
Disposals - written down value	-	(264,784)	-	(264,784)
Depreciation expense	(105,570)	(314,110)	(5,472)	(425,152)
Balance at the end of the year	349,943	1,133,903	49,856	1,533,702

Notes to the Financial Statements

For the year ended 31 March 2026

9 Intangible Assets

	Note	2026 $	2025 $
Computer software			
AS400 Modernisation Project	9(b)	-	-

(a) Movements in carrying amounts of intangible assets

Year ended 31 March 2026		
Balance at the beginning of the year	-	**1,969,145**
Additions	-	**967,652**
Impairment	-	**(2,936,797)**
Balance at the end of the year	-	-

(b) Determination

On 4 July 2025, the Administrator issued a determination to discontinue the AS400 project, with all capitalised costs considered impaired and expensed. Refer note 5(c) for further information.

10 Trade and Other Payables

Wage claim liability	21	**47,508**	47,508
Sundry payables and accrued expenses		**1,513,335**	594,243
Contract liability	10(a)	**1,167,335**	1,967,314
		2,728,178	2,609,065

(a) Unsatisfied performance obligations

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2026 is $1,167,335 (2025: $1,967,314). Consistent with the prior year, the Union expects that all of the transaction price allocated to remaining performance obligations is expected to be recognised as revenue within one year. These performance obligations primarily relate to member subscription contracts and unearned income. All unearned income disclosed as a liability as at 31 March 2025 was recognised as revenue during the year ended 31 March 2026.

Notes to the Financial Statements

For the year ended 31 March 2026

11 Employee Benefits

	2026	2025
	$	$
CURRENT		
Annual leave	**908,817**	975,475
Long service leave	**956,177**	1,252,642
Other	**186,625**	175,899
	2,051,619	2,404,016
NON-CURRENT		
Long service leave	**15,424**	15,549

(a) Total employee benefits attributable to:

Office Holders:*		
Annual leave	**-**	-
Long service leave	**-**	-
Other	**-**	-
	-	-
Employees other than office holders:		
Annual leave	**908,817**	975,475
Long service leave	**971,601**	1,268,191
Other	**186,625**	175,899
	2,067,043	2,419,565
Total employee benefits	**2,067,043**	2,419,565

*On 23 August 2024, the Union was put into administration by the Federal Government under the *Fair Work (Registered Organisations (CFMEU Construction and General Division Administration) Determination 2024.* With the removal of all Officials of the Union at that time, their accumulated entitlements were paid out and accordingly there are no Officials employed by the Union from that date.

Notes to the Financial Statements

For the year ended 31 March 2026

12 Financial Risk Management

The main risks CFMEU Construction & General Division, NSW Divisional Branch is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting equity price risk.

The Union's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2026 $	2025 $
Financial Assets			
Cash and cash equivalents		**8,858,090**	12,377,545
Trade and other receivables	5	**12,455,853**	1,927,768
Financial assets at FVTPL	6	**14,687**	14,834
Financial assets at amortised cost	6	**16,830,413**	27,575,460
Total financial assets		**38,159,043**	41,895,607
Financial Liabilities			
Trade and other payables	10	**1,560,843**	641,751
Total financial liabilities		**1,560,843**	641,751

The table below reflect an undiscounted contractual maturity analysis for financial liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the balance sheet due to the effect of discounting.

Notes to the Financial Statements

For the year ended 31 March 2026

12 Financial Risk Management (continued)

Financial liability maturity analysis - Non-derivative

	Within 1 year		Total	
	2026	2025	2026	2025
	$	$	$	$
Financial liabilities due for payment				
Trade and other payables	**1,560,843**	641,751	**1,560,843**	641,751

(i) Other price risk

The Union is not exposed to a material level of interest rate risk.

The Union is not exposed to a material level of equity securities price risk. This risk arises from listed investments held by the Union and classified as fair value through profit or loss in the balance sheet.

The Union is not exposed to commodity price risk.

(ii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Union.

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The Union has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Trade receivables consist of a large number of customers, spread across diverse geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Notes to the Financial Statements

For the year ended 31 March 2026

12 Financial Risk Management (continued)

(iii) Net income and expense from financial assets and liabilities

	Note	2026 $	2025 $
Amortised cost			
Interest revenue	3	**1,288,390**	1,507,748

13 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of CFMEU Construction & General Division, NSW Divisional Branch during the year are as follows:

Short-term employee benefits	**656,122**	597,044
Post-employment benefits	**112,984**	113,824
Other long-term benefits	**26,001**	5,976
Termination benefits	**31,702**	334,613
	826,809	1,051,457

14 Auditor's Remuneration

Remuneration of the auditor of the Union, Daley Audit, for:		
- financial statement audit services	**36,500**	35,200
- tax services and accounting*	**23,590**	5,330
	60,090	40,530

*Other assistance includes specific accounting advice and taxation services provided within the scope of independence requirements, and taxation assistance/financial statement preparation assistance performed by a team independent of the audit.

Notes to the Financial Statements

For the year ended 31 March 2026

15 Investments Accounted for using the Equity Method

Aggregate information for associates that are not individually material

CFMEU Construction & General Division, NSW Divisional Branch has interests in one associate, being UPlus, which is a unit trust and is not considered individually material. The table below summarises the financial information.

	2026	2025
	$	$
Carrying amount of investments in associates that are not individually material	-	-
Distributions from operations		
Distribution from joint venture	-	664,740

16 Fair Value Measurement

The Union measures Financial assets - Listed Shares at fair value on a recurring basis:

Fair value hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

16 Fair Value Measurement (continued)

Fair value hierarchy (continued)

The table below shows the assigned level for each asset and liability held at fair value by the Union:

	Level 1	Level 2	Level 3	Total
2026	**$**	**$**	**$**	**$**
Recurring fair value measurements				
Financial assets				
Listed Shares	**14,687**	**-**	**-**	**14,687**
Unlisted Units	**-**	**-**	**-**	**-**
2025				
Recurring fair value measurements				
Financial assets				
Listed Shares	14,834	-	-	14,834
Unlisted Units	-	-	-	-

17 Contingencies

Contingent liabilities

There are a number of unsettled legal actions against the Union regarding industrial relations or employment law matters. There are no matters where a judgement has been awarded against the Union or a matter has been settled and the amount is unpaid, at balance date or to the date of this report. No provision is made for any settlement costs or financial court orders for ongoing unresolved matters where the outcome cannot be reliably determined as the Union intends to defend the claims. Further disclosure may seriously prejudice outcomes and be highly speculative.

Contingent assets

There are a number of unresolved matters in which the Union is an applicant and seeks court orders for amounts of compensation or penalties. Some such matters may also be settled in whole or in part. Expenses will be incurred for legal costs irrespective of the outcome of such matters. No provision is made for any settlements or financial court orders for ongoing unresolved matters where the outcome cannot be reliably determined as these matters are largely defended by the relevant respondents. Further disclosure may seriously prejudice outcomes and be highly speculative.

Notes to the Financial Statements

For the year ended 31 March 2026

18 Related Party Transactions

Related parties

(a) Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 13: Key Management Personnel Remuneration.

(b) Transactions with related parties

Key operating transactions and/or balances with related parties are disclosed at notes 4, 5, 9 and 10.

Other miscellaneous transactions occurred with related parties, as follows:

	Note	2026 $	2025 $
(i) Income			
CFMEU C&G National Office - Electricity		**7,154**	3,966
CFMEU C&G National Office - Equipment Costs		**3,815**	-
CFMEU C&G QLD/NT Branch - Interest Revenue		**252,619**	-
CFMEU C&G ACT Branch - Office Expenses		**965**	-
Distribution from joint venture	15	**-**	664,740
(ii) Capitation and other fees (expense)			
CFMEU C&G National Office - IT Reimbursements		**-**	3,091
CFMEU C&G National Office - Administration Charges	23	**1,700,000**	1,100,000
CFMEU C&G National Office - Wage Reimbursements		**90,401**	37,476
CFMEU C&G National Office - Security Charges		**-**	154,956
CFMEU C&G Vic/Tasmanian Divisional Branch		**-**	713
CFMEU C&G ACT Branch - Purchase of 2 motor vehicles		**95,000**	-
CFMEU C&G NSW (State Registered Union) - Rent		**558,272**	558,272

The rent paid to the State Registered Union is in accordance with the lease agreement executed in 2021.

Refer to note 1(o) to further commentary in relation to the consistency of transactions and balances between reporting units.

Notes to the Financial Statements

For the year ended 31 March 2026

19 Cash Flow Information

(a) Reconciliation of result for the period to cashflows from operating activities

	Note	2026 $	2025 $
Result for the year		**(1,447,887)**	3,389,196
Investment income categorised as investing activities		**(1,266,722)**	(2,107,454)
Non-cash flows in the result:			
- depreciation and amortisation		**510,795**	425,152
- impairment of intangible asset	9(a)	**-**	2,936,797
- gain on disposal of plant and equipment		**(61,302)**	(55,802)
- gain/(loss) on fair value of financial assets		**147**	(6,920)
Changes in assets and liabilities:			
- (increase)/decrease in trade and other receivables (net of provision)		**(528,085)**	687,002
- (increase)/decrease in other assets		**(40,421)**	(439,531)
- increase/(decrease) in trade payables and other liabilities		**(1,140,887)**	(211,016)
- increase/(decrease) in provisions		**(352,522)**	(296,946)
Cashflow from operations	24	**(4,326,884)**	4,320,478

(b) Net cash flows to/(from) Reporting Units

CFMEU C&G National Office	**(5,629,575)**	(6,339,583)
CFMEU C&G ACT Branch	**(103,439)**	-
CFMEU C&G QLD/NT Branch	**(9,747,381)**	-
CFMEU C&G Vic/Tasmanian Divisional Branch	**-**	784

Refer to note 1(o) to further commentary in relation to the consistency of transactions and balances between reporting units.

20 Events after the end of the Reporting Period

The financial report was authorised for issue on 28 July 2026 by the Administrator.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial year that has. significantly affected, or may significantly affect, the operations of the Union, the results of those operations, or the state of affairs of the Union in subsequent financial periods.

Notes to the Financial Statements

For the year ended 31 March 2026

21 Revenue from Recovery of Wages Activity

During the year, the Union recovered entitlements due and payable to workers under awards, industrial instruments as prescribed in the *Fair Work Act 2009* and contracts of employment. All entitlements recovered, net of outstanding membership fees, are returned to employees (or their nominated superannuation fund or redundancy trust), with any undistributed monies remaining outstanding as at balance date being recorded as a liability at Note 10.

Accordingly, the Union is acting as a conduit for the members and the only income received by the Union on such recovery of wages activity was limited to membership fees of $6,361 (2025: $13,625).

22 Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of the members is drawn to the provisions of Sub-sections (1) to (3) of Section 272, which reads as follows:-

Information to be provided to members or the General Manager:

1. A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

2. The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

3. A reporting unit must comply with an application made under subsection (1).

23 Administration of Financial Affairs by a Third Party

On 23 August 2024, the Union was put into administration by the Federal Government under the *Fair Work (Registered Organisations (CFMEU Construction and General Division Administration) Determination 2024.*

Notes to the Financial Statements

For the year ended 31 March 2026

24 Reclassification of Investment Income in the Statement of Cash Flows

During the current year, the Union reviewed the presentation of investment income received in the statement of cash flows. Investment income received, previously classified within operating activities, has been reclassified to investing activities.

Management considers that classification within investing activities more appropriately reflects the nature of the related income received as a return on the Union's financial assets and other interest-bearing financial assets. This classification is permitted under AASB 107 Statement of Cash Flows, which allows investment income received to be classified as either operating or investing cash flows, provided the classification is applied consistently from period to period.

Accordingly, the comparative (2025) amounts have been restated in the *Statement of Cash Flows* and the *Reconciliation of result for the period to cashflows from operating activities* at note 19, as follows:

	Previously reported	Adjusted	Now reported
	$	$	$
Net cash provided / (used) by operating activities	6,427,932	(2,107,454)	4,320,478
Net cash provided / (used) by investing activities	(856,689)	2,107,454	1,250,765

CFMEU Construction & General Division, NSW Divisional Branch

ABN: 37 317 397 120

Administrator's Declaration Statement

For the year ended 31 March 2026

I, Karma Lord, being the Executive Officer of the CFMEU Construction & General Division, NSW Divisional Branch, declare that the following activities did not occur during the reporting period ending 31 March 2026.

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- ~~receive periodic or membership subscriptions~~
- receive capitation fees or any other revenue amount from another reporting unit
- ~~receive revenue via compulsory levies~~
- receive donations or grants
- ~~receive revenue from undertaking recovery of wages activity~~
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- ~~pay capitation fees to another reporting unit~~
- ~~pay any other expense to another reporting unit~~
- ~~pay affiliation fees to other entity~~
- ~~pay compulsory levies~~
- pay a grant that was $1,000 or less
- pay a grant that exceeded $1,000
- ~~pay a donation that was $1,000 or less~~
- ~~pay a donation that exceeded $1,000~~
- pay wages and salaries to holders of office
- pay superannuation to holders of office
- pay leave and other entitlements to holders of office
- pay separation and redundancy to holders of office
- pay other employee expenses to holders of office
- ~~pay wages and salaries to employees (other than holders of office)~~
- ~~pay superannuation to employees (other than holders of office)~~
- ~~pay leave and other entitlements to employees (other than holders of office)~~
- ~~pay separation and redundancy to employees (other than holders of office)~~
- ~~pay other employee expenses to employees (other than holders of office)~~
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- ~~incur expenses due to holding a meeting as required under the rules of the organisation~~
- ~~pay legal costs relating to litigation~~
- ~~pay legal costs relating to other legal matters~~
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- ~~have a receivable with other reporting unit(s)~~
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation

CFMEU Construction & General Division, NSW Divisional Branch

ABN: 37 317 397 120

Administrator's Declaration Statement

For the year ended 31 March 2026

- have a payable in respect of legal costs relating to other legal matters
- have an annual leave provision in respect of holders of office
- have a long service leave provision in respect of holders of office
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- ~~have an annual leave provision in respect of employees (other than holders of office)~~
- ~~have a long service leave provision in respect of employees (other than holders of office)~~
- have a separation and redundancy provision in respect of employees (other than holders of office)
- ~~have other employee provisions in respect of employees (other than holders of office)~~
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- ~~have a balance within the general fund~~
- ~~provide cash flows to another reporting unit and/or controlled entity~~
- ~~receive cash flows from another reporting unit and/or controlled entity~~
- ~~have another entity administer the financial affairs of the reporting unit~~
- make a payment to a former related party of the reporting unit

[redacted]

Karma Lord
Executive Officer

Dated: 28 July 2026

CFMEU Construction & General Division, NSW Divisional Branch

ABN: 37 317 397 120

Report required under subsection 255(2A)

For the year ended 31 March 2026

The Administrator presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 March 2026.

	2026 $	2025 $
Remuneration and other employment-related costs and expenses - employees	9,171,595	6,963,072
Advertising	14,401	60,161
Operating Costs	8,199,055	6,749,629
Donations to political parties	-	-
Legal costs	228,890	317,557



Karma Lord
Executive Officer

Dated: 28 July 2026

Independent Audit Report
to the members of the CFMEU Construction & General Division, NSW Divisional Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the CFMEU Construction & General Division, NSW Divisional Branch (the "Union"), which comprises the balance sheet as at 31 March 2026, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended 31 March 2026, notes to the financial statements, including material accounting policy information, the Administrator's statement, the report required under subsection 255(2A) and the Administrator declaration statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Union as at 31 March 2026, and its financial performance and its cash flows for the year ended on that date in accordance with:

(i) the Australian Accounting Standards; and
(ii) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that the Administrator's use of the going concern basis in the preparation of the financial statements of the Union is appropriate.

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 Union in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

Independent Audit Report
to the members of the CFMEU Construction & General Division, NSW Divisional Branch

Information Other than the Financial Report and Auditors Report Thereon

The Administrator is responsible for the other information. The other information obtained at the date of this auditor's report is included in the Administrator's Operating 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 Administrator for the Financial Report

The Administrator of the Union is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Administrator determines 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 Administrator is responsible for assessing the Union'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 Administrator either intend to liquidate the Union or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

Independent Audit Report
to the members of the CFMEU Construction & General Division, NSW Divisional Branch

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Administrator.
- Conclude on the appropriateness of the Administrator'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 Union'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 Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Administrator 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.

I declare that I am an auditor registered under the RO Act.

Daley Audit

Daley Audit

[redacted]

Michael Mundt
Partner

Registration Number (as registered under the RO Act): AA2017/67

Wollongong

Dated: 28 July 2026

Liability limited by a scheme approved under Professional Standards Legislation.

CFMEU CONSTRUCTION & GENERAL DIVISION

NSW SOUTH WALES DIVISIONAL BRANCH

DESIGNATED OFFICERS CERTIFICATE

FOR THE YEAR ENDED 31 MARCH 2026

I, Karma Lord, being the Executive Officer of the CFMEU Construction & General Division New South Wales Divisional Branch certify:

- that the documents lodged herewith are copies of the full report for the CFMEU Construction & General Division New South Wales Divisional Branch for the period ended 31 March 2026 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and

- that the full report was provided to members of the reporting unit on 30 July 2026; and

- that the full report was presented to a meeting of the Administrator of the reporting unit on 3 August 2026 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.



Karma Lord

Executive Officer

3 August 2026