

Construction, Forestry and Maritime Employees Union – The Construction and General Division Administrator

Financial Statements for the 6 month period
ended 22 February 2025

Statements from:

National Office

Australian Capital Territory Divisional Branch

New South Wales Divisional Branch

Queensland Northern Territory Divisional Branch

South Australian Divisional Branch

Victorian/Tasmanian Divisional Branch

Western Australia Branch

CFMEU ADMINISTRATOR
MARK IRVING KC

22 July 2025

Sarah Godden
Chief Counsel / First Assistant Secretary, Workplace Relations Legal Division
Department of Employment and Workplace Relations

By email: Sarah.Godden@dewr.gov.au

Dear Ms Godden

General purpose financial reporting

I refer to your correspondence addressed to me and dated 18 July 2025, where you requested a copy of the Union's general purpose financial reports. I provide those reports to you, enclosed in the email within which this letter was sent. I also provide some information and context below, which I consider worthwhile to note.

These statements were created at the request of the Parliament so as to enable it to examine a snapshot of the finances of the CFMEU. The 23rd of August to the 22nd of February is not the usual financial reporting period for any of the component parts of the CFMEU, and as a result these documents are not useful in the way in which other financial statements are usually useful.

For an interested party, financial statements should give an accurate description of the financial activities of an organisation over a pre-defined period that allows for a comparative analysis of performance over time. In this case we have generated financial reports over a post-defined period that have no comparative benchmark. They are accurate for the timeframe they examine but the timeframe itself is not particularly useful for drawing conclusions about financial performance. Many of the branches were in the midst of a negative cash flow period which is not unusual given the timing of membership renewals. Many have surpluses that will have eroded over the following months of operation or when end of year adjustments have been made. Many were still being reformed in the nascent administration era. Many had staffing structures which suited the removed regime but were not fit for purpose for a member centric union. Additionally, the Queensland branch was still using the relevant state registered union, the CFMEUQ, as the holder of most staffing and operational costs.

The end result is that these financial statements will capture part of but not all of the 2024/25 financial year and will layout only a few of the broad strokes that, ultimately, the end of financial year statements will build upon to paint a more fulsome picture of the union's financials. As the Administration has progressed on budget management, staff structures, "whole of union"

approaches and ensuring the appropriate entity in each state and territory is the primary site of union activity, I anticipate that such “snapshot” financial statements will become even less useful when compared to using the full end of year financial statements to evaluate financial performance over time.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M. Flinn', with a long horizontal stroke extending to the right.

Michael Flinn
Chief of Staff

MF/00155

**Construction, Forestry and Maritime Employees Union Construction and
General Division - National Office**

Financial Statements

For the 6 month period ended 22 February 2025

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Financial Statements

For the period ended 22 February 2025

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Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Operating Report

For the 6 month period ended 22 February 2025

The Administrator presents their operating report of the Construction, Forestry and Maritime Employees Union Construction and General Division - National Office ("the Union") for the 6 month period ended 22 February 2025.

Names of Committee of Management members and period positions held during the financial period

On 23 August 2024 the Union was placed into Administration, and therefore, apart from the Administrator, there is no Committee of Management.

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

The principal activities of Construction, Forestry and Maritime Employees Union Construction and General Division - National Office during the financial period were:

- Implementation of Divisional Executive Decisions.
- Maintenance of Union Rules, Registrations and Affiliations.
- Organising Executive Meetings and Divisional Conferences as well as National Safety Officer Meetings.
- Conducting activities for Parliamentary, Divisional Branch elections, including assisting with statutory requirements.
- Co-ordinating seminars / education courses for Branch Officers to inform them of current developments or to seek collective input in the development of national policies.
- Representing the Division's interest on various national committees and organisations.
- Co-ordinating the involvement of the Union in relevant international Trade Union bodies and conferences.
- Responsibility for servicing national awards and enterprise agreements and maintaining related information services. Divisional Office also advises Branches on Industrial matters.
- Provision to Branches with economic and industrial research.
- Provision to Branches of assistance with administration and financial management.
- Provision to Branches of a National Library including information service / library through an electronic database.
- Co-ordinating OH&S nationally and maintaining a national policy database and information service.
- Providing prime responsibility of initiating and leading the conduct of legal action launched in defence of the Division's constitutional work.
- Providing a National Computer Department to service each Branch and Divisional Office.
- Provision of National Publicity Services in respect of the national newspaper, safety newsletter and various brochures of Industrial issues, media issues, etc.
- Provision of National Training Agenda by representing the Union on various Boards and Committees.

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

The Administrator believe that they have furthered the interests of their members throughout the period through the conducting of the Union's principal activities.

The deficit for the Union for the period ended 22 February 2025 was \$3,601,940 and the Administrator believe that the activities of the Union have achieved their objectives for the financial period.

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Operating Report

For the 6 month period ended 22 February 2025

Significant changes in financial affairs

The following significant changes in the state of affairs of the Union occurred during the financial period:

(i) On 23 August 2024 the Union and its branches were placed into Administration.

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

Lucinda Webber - Director of United Super Pty Ltd which acts as Trustee of C Bus

Hemal Patel - Director of BUSSQ

To the best of my knowledge, no other 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 114,022 members of the Union as at 22 February 2025.

Number of employees

As at 22 February 2025 the Union had 21 full-time equivalent employees.

Signed in accordance with a resolution of the Administrator:



Mark Irving KC
Administrator

Dated: 24/07/2025

Melbourne

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Administrator Statement

22 February 2025

On 24 July 2025, the Administrator of the Construction, Forestry and Maritime Employees Union Construction and General Division - National Office ("the Union"), passed the following resolution in relation to the general purpose financial report for the period ended 22 February 2025:

The Executive 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 Union for the financial year to which they relate;
- d) there are reasonable grounds to believe that the Union 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 up until the point of Administration were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - ii) the financial affairs of the Union 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 Union 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 Union have been kept, as far as practicable, in a consistent manner with each or the other reporting units of the organisation; and
 - v) where information has been sought in any request by a member of the Union or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or 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.



Mark Irving KC
Administrator

Dated: 24/07/2025

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Statement of Profit or Loss and Other Comprehensive Income

For the 6 month period ended 22 February 2025

	Note	2025 \$
Revenue	3	4,254,357
Other income	3	462,603
		<u>4,716,960</u>
Employee benefits expense	4	(3,135,328)
Capitation fees	4	(885,984)
Legal costs	4	(882,388)
Lease related expenses	10	(266,056)
Depreciation and amortisation expense	11(a)	(26,713)
Advertising and promotion expenses		(428,938)
Campaign expenses		(34,144)
IT costs		(2,662)
Travel expenses		(163,667)
Administration expenses	4	(2,336,072)
Other expenses		(156,948)
		<u>(8,318,900)</u>
Result for the period		<u>(3,601,940)</u>
Other comprehensive income for the period		<u>-</u>
Total comprehensive income for the period		<u><u>(3,601,940)</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union

Construction and General Division - National Office

Balance Sheet

As At 22 February 2025

	Note	2025 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	5	3,623,799
Trade and other receivables	6	2,349,041
Other financial assets	7	6,553,587
Loans	8	3,000,000
TOTAL CURRENT ASSETS		<u>15,526,427</u>
NON-CURRENT ASSETS		
Property, plant and equipment	11	<u>134,303</u>
TOTAL NON-CURRENT ASSETS		<u>134,303</u>
TOTAL ASSETS		<u>15,660,730</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	12	1,762,963
Contract liabilities	9	6,510,792
Employee benefits	13	1,174,542
TOTAL CURRENT LIABILITIES		<u>9,448,297</u>
NON-CURRENT LIABILITIES		
Employee benefits	13	<u>16,333</u>
TOTAL NON-CURRENT LIABILITIES		<u>16,333</u>
TOTAL LIABILITIES		<u>9,464,630</u>
NET ASSETS		<u>6,196,100</u>
EQUITY		
Retained earnings		<u>6,196,100</u>
TOTAL EQUITY		<u>6,196,100</u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Statement of Changes in Equity

For the 6 month period ended 22 February 2025

	Retained Earnings \$
Balance at 22 August 2024	9,798,040
Result for the period	<u>(3,601,940)</u>
Balance at 22 February 2025	<u><u>6,196,100</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Statement of Cash Flows

For the 6 month period ended 22 February 2025

	Note	2025 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and contributions		4,327,000
Interest received		71,753
Payments to suppliers and employees		<u>(7,975,788)</u>
Net cash used by operating activities	21(a)	<u>(3,577,035)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for plant and equipment		(77,607)
Proceeds from sale of financial assets - term deposits		2,000,000
Purchase of financial assets		<u>(64,208)</u>
Net cash used by investing activities		<u>1,858,185</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Provision of related party loan		<u>(3,000,000)</u>
Net cash used by financing activities		<u>(3,000,000)</u>
Net decrease in cash and cash equivalents held		(4,718,850)
Cash and cash equivalents at beginning of period		<u>8,342,649</u>
Cash and cash equivalents at end of the period	5	<u><u>3,623,799</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

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.

On 23 August 2024, the Union and its branches were placed into Administration. This financial report has been prepared to comply with the reporting requirements whilst being under Administration. There is no comparative period.

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) Comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

(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.

Construction, Forestry and Maritime Employees Union

Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

1 Material Accounting Policy Information

(c) Revenue and other income

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.

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.

Construction, Forestry and Maritime Employees Union

Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

1 Material Accounting Policy Information

(c) Revenue and other income

Interest revenue

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

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.

Capitation fees

The Union's arrangement with branches or other reporting units meet the criteria to be a contract with a customer. Accordingly, the Union recognises the capitation fees promised under that arrangement when or as it transfers the services.

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

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.

Construction, Forestry and Maritime Employees Union

Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

1 Material Accounting Policy Information

(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.

(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.

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

1 Material Accounting Policy Information

(h) Financial instruments

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 that 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.

Contract assets and receivables

A contract asset is recognised when the Union's right to consideration in exchange for 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.

Construction, Forestry and Maritime Employees Union

Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

1 Material Accounting Policy Information

(h) Financial instruments

Financial assets

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.

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.

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

1 Material Accounting Policy Information

(h) Financial instruments

Financial assets

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).

(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.

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

1 Material Accounting Policy Information

(i) Leases

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.

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.

Construction, Forestry and Maritime Employees Union

Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

1 Material Accounting Policy Information

(j) Property, plant and equipment

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.

(k) 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.

(l) 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.

Construction, Forestry and Maritime Employees Union

Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

1 Material Accounting Policy Information

(i) Employee benefits

(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.

(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.

(m) Going concern

The Union has agreed to provide financial support the Construction Forestry Mining and Energy Union - Construction and General Division - South Australian Branch to ensure it can continue on a going concern basis.

Construction, Forestry and Maritime Employees Union

Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

1 Material Accounting Policy Information

(n) 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.

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 cash flows reported at note 21. Additionally, any amounts outstanding as at balance date between related parties have been disclosed at notes 6 or 12.

(o) Adoption of new and revised accounting standards

The Union has adopted all standards which became effective for the first time during the year ended 22 February 2025. None of the new standards had a material impact on the reported financial position of performance.

(p) New accounting standards and Interpretations not yet adopted

Certain new accounting standards have been published that are not mandatory for 22 February 2025 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.

Construction, Forestry and Maritime Employees Union

Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

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.

(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.

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

3 Revenue and other income

	2025
	\$
Revenue from contracts with customers	
- Capitation fees	
- Victorian/Tasmanian branch	1,326,845
- New South Wales branch	804,974
- Queensland/Northern Territory branch	577,581
- Western Australian branch	254,147
- South Australian branch	99,517
- Australian Capital Territory branch	82,245
-	<u>3,145,309</u>
- Levies	
- Victorian/Tasmanian branch	475,291
- New South Wales branch	271,146
- Queensland/Northern Territory branch	211,008
- Western Australian branch	87,609
- South Australian branch	34,410
- Australian Capital Territory branch	29,584
	<u>1,109,048</u>
Total revenue from contracts with customers	<u><u>4,653,847</u></u>
Other revenue	
- Grant income	125,000
- Distribution income	62,665
- Gain on fair value through profit or loss	253,892
- Net gain/(loss) on disposal of plant and equipment	(50,707)
- Interest income	71,753
Total other revenue	<u><u>462,603</u></u>

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

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

3 Revenue and other income

Disaggregation of revenue from contracts with customers

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

	2025
	\$
Timing of revenue recognition	
- At a point in time	-
- Over time	<u>4,653,847</u>
Revenue from contracts with customers	<u><u>4,653,847</u></u>

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

4 Result for the period

The result for the period includes the following specific expenses

	2025
	\$
Employee benefits expense comprises:	
<i>Employees other than office holders:</i>	
- Wages and salaries	2,626,622
- Superannuation	244,264
- Leave and other entitlements	4,410
- Separation and redundancies	79,008
- Other employee expenses (including payroll tax and FBT)	181,024
Total employee benefits expense	<u>3,135,328</u>
Other expenses:	
Capitation fees paid to CFMEU National Office	885,984
Affiliation fees:	
Australian People for Health Education & Development Abroad	7,409
Campaign expenses	34,144
Legal costs - litigation	438,472
Legal costs - other legal matters	443,917
	<u>882,389</u>

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

4 Result for the period

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

	2025
	\$
Conference and meeting expenses	<u>421</u>

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

5 Cash and cash equivalents

Cash on hand	<u>3,623,799</u>
--------------	------------------

6 Trade and other receivables

CURRENT	
Trade receivables	2,037,686
Less: Allowance for unexpected credit losses	6(a) -
Prepayments	<u>311,355</u>
	<u>2,349,041</u>

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

6 Trade and other receivables

(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 days past due. The loss allowance provision is determined as follows, with the expected credit losses incorporating forward looking information:

22 February 2025	Current	> 30 days overdue	> 90 days overdue	Total
<i>Expected loss rate (%)</i>	-	-	-	
Gross carrying amount (\$)	1,832,782	147,882	57,022	2,037,686
ECL provision	-	-	-	-

(b) Receivables from other reporting units

	2025 \$
CFMEU Construction and General ACT branch	108,979
CFMEU Construction and General SA branch	191,487
CFMEU Construction and General WA branch	268,627
CFMEU Construction and General Vic/Tas branch	1,025,269
CFMEU Construction and General NSW branch	1,254
CFMEU Industrial Union of Employees Qld State C&G Division	387,071

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

7 Financial assets

	2025 \$
Financial assets at amortised cost	
Term deposits	1,000,000
Financial assets at fair value through profit or loss	
Equity securities - designated at fair value through Profit or Loss	5,553,587
	<u>6,553,587</u>

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

8 Loans and Advances

2025

\$

CURRENT

Loans to CFMEU Industrial Union of Employees
Qld State C&G Division

3,000,000

(a) Loan to another reporting units

The loan to CFMEU Industrial Union of Employees Qld State C&G Division is repayable within 12 months and has an interest rate of 6%.

9 Contract Balances

2025

\$

CURRENT

Deposits held on behalf of branches in relation to AS400 Project:

Victoria and Tasmania Branch

6,877,039

New South Wales Branch

4,099,465

South Australia Branch

473,369

Western Australia Branch

1,283,067

Australian Capital Territory Branch

454,724

CFMEU Industrial Union of Employees QLD State C&G Division

2,701,357

Less: Funds transferred to AS400 project

(9,378,229)

6,510,792

10 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 several leases over buildings which are on a month-to-month basis and therefore have been classified as short term leases.

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

10 Leases

Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Union is a lessee are shown below:

	2025
	\$
Expenses relating to short-term leases	<u>266,056</u>

Statement of Cash Flows

Total cash outflow for leases	<u>266,056</u>
-------------------------------	----------------

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

11 Property, plant and equipment

	2025
	\$
Motor vehicles	
At cost	82,036
Accumulated depreciation	<u>(23,449)</u>
	<u>58,587</u>
Office equipment	
At cost	440,511
Accumulated depreciation	<u>(439,044)</u>
Total office equipment	<u>1,467</u>
Computer equipment	
At cost	441,342
Accumulated depreciation	<u>(367,093)</u>
Total computer equipment	<u>74,249</u>
Total property, plant and equipment	<u><u>134,303</u></u>

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

11 Property, plant and equipment

(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 period:

	Motor vehicles \$	Office Equipment \$	Computer equipment and software \$	Total \$
Period ended 22 February 2025				
Balance at the beginning of period	99,308	1,739	48,380	149,427
Additions	32,945	-	44,662	77,607
Disposals - written down value	(66,018)	-	-	(66,018)
Depreciation expense	(7,648)	(272)	(18,793)	(26,713)
Balance at the end of the period	58,587	1,467	74,249	134,303

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

12 Trade and other payables

	2025 \$
Trade payables	1,521,366
Other payables	241,597
	<u>1,762,963</u>

(a) Payables to other reporting entities:

CFMEU Construction & General - Vic/Tas Division	<u>14,391</u>
---	---------------

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

(b) Legal fees payables

Legal fees - litigation	7,659
Legal fees - other	29,455
	<u>37,114</u>

13 Employee benefits

	2025 \$
CURRENT	
Annual leave	821,087
Long service leave	353,455
	<u>1,174,542</u>

NON-CURRENT

Long service leave	<u>16,333</u>
--------------------	---------------

(a) Total employee benefits attributable to:

Employees other than office holders:

Annual leave - current	821,087
Long service leave - current	353,455
Long service leave - non-current	16,333
	<u>1,190,875</u>

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

14 Financial risk management

The main risks Construction, Forestry and Maritime Employees Union Construction and General Division - National Office 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	2025 \$
Financial Assets		
Cash and cash equivalents	5	3,623,799
Trade and other receivables	6	2,037,686
Financial assets at FVTPL	7	5,553,587
Financial assets at amortised cost	7	1,000,000
Total financial assets		12,215,072
Financial Liabilities		
Trade and other payables	12	1,762,963
Total financial liabilities		1,762,963

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.

Financial liability maturity analysis - Non-derivative

	Within 1 year 2025 \$	Total 2025 \$
Financial liabilities due for payment		
Trade and other payables	1,762,963	1,762,963

Construction, Forestry and Maritime Employees Union

Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

14 Financial risk management

(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.

At reporting date, if the Australian Stock Exchange index had increased/decreased by 10.00% with all other variables held constant and all of the Union's equity instruments moved according to the historical correlation with the index, the impact on profit and equity is shown in the table below:

	2025	
	+10.00%	-10.00%
ASX Index		
Impact on profit	555,359	555,359

(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.

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

14 Financial risk management

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

	Note	2025 \$
Amortised cost		
Interest revenue		71,753
Fair value through profit or loss		
Gain recognised in profit or loss		253,892
Dividends and distribution income		62,665

15 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of Construction, Forestry and Maritime Employees Union Construction and General Division - National Office during the period are as follows:

Short-term employee benefits		
Salary		430,544
Post-employment benefits		
Superannuation		28,424
Other long-term benefits		
Long service leave		3,245
Termination benefits		4,160
		<u>466,373</u>

16 Auditor's remuneration

No audit has been performed for the period ended 22 February 2025.

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

17 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.

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
2025	\$	\$	\$	\$
Recurring fair value measurements				
Financial assets				
Listed Shares	5,553,587	-	-	5,553,587

18 Contingencies

Contingent liabilities

Given the principal activities of the Union, the Union is routinely subject to legal actions against it regarding industrial relations matters in serving its membership. As at the date of this report, there are no such matters in place which would require disclosure as a contingent liability.

As an organisation, the Construction Forestry and Maritime Employees Union, Construction and General Division - National Office may be liable to contribute funds to the settlement of legal costs on behalf of branches. As at balance date, there are no such known matters and any relevant costs have been appropriately accrued and disclosed.

Construction, Forestry and Maritime Employees Union

Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

19 Capital Commitments

The National Office of the Construction and General Division of the Construction Forestry and Maritime Employees Union is facilitating the AS400 Modernisation Project on the instruction from the Divisional Branches of the Union. The cost of the AS400 Modernisation Project is estimated to be \$23,499,954 over a 5 year period. The Divisional Branches of the Union will contribute towards the project on a pro-rata basis and have signed an internal agreement to this effect. The National Office is merely the facilitator of the transactions between the independent third parties and the divisional branches and there is no profit component in recharging the branches.

20 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 15: Key Management Personnel Remuneration.

(b) Transactions with related parties

Key operating transactions and/or balances with related parties are disclosed at notes 4, 6, 8, 9, 12 and 19.

Other miscellaneous transactions occurred with related parties, as follows:

	2025
	Note
	\$
<i>(i) Income</i>	
CFMEU National Office	
IT cost reimbursement	19,289
Wage reimbursement	5,885
CFMEUQ	
IT cost reimbursement	121,119
Wage reimbursement	92,966
Administration charge levy	130,298
CFMEU C&G NSW Branch	
IT cost reimbursement	183,359
Wage reimbursement	18,928
Administration charge levy	181,896
Other reimbursements	96,697

Construction, Forestry and Maritime Employees Union

Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

20 Related party transactions

	Note	2025 \$
CFMEU C&G Vic/Tas Branch		
IT cost reimbursement		303,610
Wage reimbursement		32,484
Administration charge levy		299,326
CFMEU C&G WA Branch		
IT cost reimbursement		34,257
Administration charge levy		57,334
CFMEU C&G SA Branch		
IT cost reimbursement		63,219
Administration charge levy		22,450
CFMEU C&G ACT Branch		
IT cost reimbursement		79,096
Administration charge levy		18,554
Wage reimbursement		18,928
<i>(ii) Expenses</i>		
CFMEU C&G South Australia - wage reimbursement		23,531
CFMEU C&G Vic/Tas Branch - office related costs		87,138
CFMEU C&G Vic/Tas Branch - wage reimbursement		15,170
CFMEU C&G Queensland - wage reimbursement		46,720
CFMEU C&G ACT - wage reimbursement		252,619
CFMEU C&G ACT - travel related cost		81,797

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

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

21 Cash flow information

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

	2025
	\$
Result for the period	(3,601,940)
Cash flows excluded from profit attributable to operating activities	
Non-cash flows in profit:	
- depreciation and amortisation	26,713
- loss/(gain) on disposal of plant and equipment	66,018
- unrealised gains/(losses) on investments	(253,892)
Changes in assets and liabilities:	
- (increase)/decrease in trade and other receivables	(1,815,032)
- (increase)/decrease in other assets	20,590
- increase/(decrease) in trade payables and other liabilities	646,840
- (increase)/decrease in other liabilities	1,286,197
- increase/(decrease) in provisions	47,471
Cashflow from operations	<u>(3,577,035)</u>

(b) Net cash flows from Reporting Units

Inflows	
CFMEU National Office	27,103
CFMEUQ	1,478,654
CFMEU C&G NSW Branch	3,172,650
CFMEU C&G Vic/Tas Branch	3,290,551
CFMEU C&G WA Branch	511,704
CFMEU C&G SA Branch	251,059
CFMEU C&G ACT Branch	301,629

Construction, Forestry and Maritime Employees Union

Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

21 Cash flow information

(c) Net cash flows to Reporting Units

Outflows

CFMEU National Office	967,038
CFMEUQ	3,046,720
CFMEU C&G NSW Branch	500,000
CFMEU C&G Vic/Tas Branch	95,790
CFMEU C&G SA Branch	46,243
CFMEU C&G ACT Branch	366,788

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

(d) Unused facilities

The Union has unused credit card facilities of \$63,474 at 22 February 2025.

22 Events after the end of the Reporting Period

Subsequent to period end, the Administrator performed a review of the AS400 project, recorded as an intangible asset in the respective branches' financial reports. As part of this review the Administrator decided to not proceed with the project. As a result of this decision, the intangible assets previously recognised will be impaired, with further costs expected to arise as a result of cancelling the project. No adjustment to intangible assets or related balances has been made in this financial report as it has been deemed a non-adjusting event after the reporting period.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial period 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.

Construction, Forestry and Maritime Employees Union

Construction and General Division - National Office

Notes to the Financial Statements

For the period ended 22 February 2025

23 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).

Construction, Forestry and Maritime Employees Union

Construction and General Division - National Office

Administrator Declaration Statement

For the Period Ended 22 February 2025

I, Mark Irving KC, being the Administrator of the Construction Forestry and Maritime Employees Union, Construction & General Division, National Office, declare that the following activities did not occur during the reporting period ending 22 February 2025.

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 from another reporting unit~~
- ~~receive any other revenue amount from another reporting unit~~
- ~~receive revenue via compulsory levies~~
- receive donations
- ~~receive 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~~
- ~~have a payable with other reporting unit~~
- 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~~

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Administrator Declaration Statement

For the Period Ended 22 February 2025

- ~~• 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 a 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



Mark Irving KC
Administrator

Dated: 24/07/2025

Construction, Forestry and Maritime Employees Union Construction and General Division - National Office

Report required under subsection 255(2A)

For the Period ended 22 February 2025

The Administrator presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the period ended 22 February 2025.

	2025 \$
Remuneration and other employment-related costs and expenses - employees	3,135,328
Advertising	-
Operating Costs	4,274,471
Donations to political parties	-
Legal costs	882,388



Mark Irving KC
Administrator

Dated: 24/07/2025

COMPILATION REPORT TO CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION CONSTRUCTION AND GENERAL DIVISION - NATIONAL OFFICE

We have compiled the accompanying general purpose financial statements of Construction, Forestry and Maritime Employees Union Construction and General Division - National Office, which comprise the balance sheet as at 22 February 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the 6 month period then ended, a summary of material accounting policies and other explanatory notes. These have been prepared in accordance with Australian Accounting Standards and the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

The Responsibility of the Administrator

The Administrator of Construction, Forestry and Maritime Employees Union Construction and General Division - National Office is solely responsible for the information contained in the general purpose financial statements and the reliability, accuracy and completeness of the information.

Our Responsibility

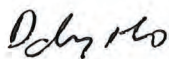
On the basis of information provided by the Administrator we have compiled the accompanying general purpose financial statements in accordance with the financial reporting framework and APES 315 Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with Australian Accounting Standards and the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The general purpose financial statements were compiled for the benefit of the Administrator who is responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the general purpose financial statements.



Daley & Co
Chartered Accountants

Date: 30 July 2025
Liability limited by a scheme approved under Professional Standards Legislation

42.

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**Construction, Forestry and Maritime Employees Union - The Construction
and General Division - Australian Capital Territory Divisional Branch**

Financial Statements

For the 6 month period ended 22 February 2025

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Financial Statements

For the 6 month period ended 22 February 2025

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Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Operating Report

For the 6 month period ended 22 February 2025

The Administrator presents their operating report of the Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch ("the Union") for the 6 month period ended 22 February 2025.

Names of Committee of Management members and period positions held during the financial year

On 23 August 2024 the Union was placed into Administration, and therefore, apart from the Administrator, there is no Committee of Management.

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

Construction Forestry and Maritime Employees Union, Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch ("the Union") is committed to advancing the wages, conditions, and wellbeing of its membership.

The reporting unit's principal activities during the year were:

- Representation of members on the job.
- Union-negotiated collective agreements.
- Assisting members with legal representation.
- Facilitating access to training courses.
- Informing members through the regular newsletter.
- Sale of products to union members.
- Investment of union funds.

The Union has reviewed its principal activities and is satisfied that activities have been successfully conducted throughout the period.

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

The loss for the Union for the year ended 22 February 2025 was \$399,712 and the Administrator believe that the activities of the Union have achieved their objectives for the financial period.

Significant changes in financial affairs

The significant changes in the state of affairs of the Union that occurred during the financial period was that on 23 August 2024 the Construction, Forestry and Maritime Employees Union, Construction and General Division and its branches were placed into Administration.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Operating Report

For the 6 month period ended 22 February 2025

Right of members to resign

Members may resign from the Union in accordance with Section 254(2)(c) of the Fair Work (Registered Organisations) Act 2009, which reads as follows:

1. A member of the Union may resign from membership by written notice addressed and delivered to the Secretary of the Branch of which he is a member.
2. A notice of resignation from membership of the Union takes effect:
 - a. Where the member ceases to be eligible to become a member of the Union:
 - i. On the day on which notice is received by the Union; or
 - ii. On the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member; Whichever is later; or
 - b. In any other case:
 - i. At the end of two (2) weeks after the notice is received by the Union; or
 - ii. On the day specified in the notice;

Whichever is later.
3. Any dues payable but not paid by a former member of the Union, in relation to a period before the member's resignation from the Union took effect, may be sued for and recovered in the name of the Union in a court of competent jurisdiction, as a debt due to the Union.
4. A notice delivered to the person mentioned in subsection (1) shall be taken to have been received by the Union when it was delivered.
5. A notice of resignation that has been received by the Union is not invalid because it was not addressed and delivered in accordance with subsection (1).

A resignation from membership of the Union is valid even if it is not affected in accordance with the rule if the member is informed in writing by or on behalf of the Union that the resignation has been accepted.

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

Jason O'Mara a member of the Union holds a position as a director of United Super Pty Ltd.

No other 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.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Operating Report

For the 6 month period ended 22 February 2025

Number of members

There were 2,831 members of the Union as at 22 February 2025.

Number of employees

As at 22 February 2025 the Union had 16 full-time equivalent employees.

Signed in accordance with a resolution of the Administrator:



Mark Irving KC
Administrator

Dated: 24/07/2025

Melbourne

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Administrator Statement

22 February 2025

On 24 July 2025, the Administrator of the Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch ("the Union"), passed the following resolution in relation to the general purpose financial report for the period ended 22 February 2025:

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 Union for the financial period to which they relate;
- d) there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable; and
- e) during the financial period to which the general purpose financial report relates and since the end of that period:
 - i. meetings of the Committee of Management up to the point of Administration were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - ii. the financial affairs of the Union 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 Union 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 Union have been kept, as far as practicable, in a consistent manner with each or the other reporting units of the organisation; and
 - v. where information has been sought in any request by a member of the Union or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or 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.



Mark Irving KC
Administrator

Dated: 24/07/2025

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Statement of Profit or Loss and Other Comprehensive Income

For the 6 month period ended 22 February 2025

	Note	2025 \$
Revenue	3	2,168,581
Other income	3	<u>129,687</u>
		<u>2,298,268</u>
Employee benefits expense	4	(1,755,446)
Affiliation fees	4	(19,073)
Capitation fees	4	(82,245)
Conference and meeting expenses	4	(80,008)
Donations paid	4	(50,000)
Depreciation and amortisation expense		(116,973)
Computer expenses		(68,626)
Member travel insurance		(177,929)
Travel expenses		(67,292)
Finance costs		(18,579)
Legal fees	4	(35,627)
Other expenses		<u>(226,182)</u>
		<u>(2,697,980)</u>
Result for the period		<u>(399,712)</u>
Other comprehensive income for the period		<u>-</u>
Total comprehensive income for the period		<u><u>(399,712)</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Balance Sheet

As At 22 February 2025

	Note	2025 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	5	1,055,008
Trade and other receivables	6	1,758
Financial assets	7	2,700,000
Prepayments		63,401
TOTAL CURRENT ASSETS		<u>3,820,167</u>
NON-CURRENT ASSETS		
Right-of-use assets	8	5,135
Property, plant and equipment	9	636,284
Financial assets	7	4,787
Intangible assets	10	395,648
TOTAL NON-CURRENT ASSETS		<u>1,041,854</u>
TOTAL ASSETS		<u>4,862,021</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	11	296,430
Lease liabilities		1,583
Other financial liabilities	12	299,616
Employee benefits	13	845,072
TOTAL CURRENT LIABILITIES		<u>1,442,701</u>
NON-CURRENT LIABILITIES		
Employee benefits	13	53,714
Lease liabilities	8	3,991
Other financial liabilities	12	434,716
TOTAL NON-CURRENT LIABILITIES		<u>492,421</u>
TOTAL LIABILITIES		<u>1,935,122</u>
NET ASSETS		<u>2,926,899</u>
EQUITY		
Retained earnings		<u>2,926,899</u>
TOTAL EQUITY		<u>2,926,899</u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Statement of Changes in Equity

For the 6 month period ended 22 February 2025

	Retained Earnings \$
Balance at 22 August 2024	3,326,611
Result for the period	<u>(399,712)</u>
Balance at 22 February 2025	<u><u>2,926,899</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Statement of Cash Flows

For the 6 month period ended 22 February 2025

	Note	2025 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and contributions		2,667,281
Interest received		66,786
Payments to suppliers and employees		(2,807,805)
Interest paid	8	<u>(18,579)</u>
Net cash used by operating activities	20(a)	<u>(92,317)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for plant and equipment		(35,117)
Payments for intangible assets		<u>(59,075)</u>
Net cash used by investing activities		<u>(94,192)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of lease liability		(4,664)
Repayment of borrowings		<u>(44,596)</u>
Net cash used by financing activities		<u>(49,260)</u>
Net increase/(decrease) in cash and cash equivalents held		(235,769)
Cash and cash equivalents at beginning of period		<u>1,290,777</u>
Cash and cash equivalents at end of the period	5	<u><u>1,055,008</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

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.

On 23 August 2024, the Union and its branches were placed into Administration. This financial report has been prepared to comply with the reporting requirements whilst being under Administration.

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) Comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

(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.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(c) Revenue and other income

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.

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.

Interest revenue

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

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(c) Revenue and other income

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.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(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.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(h) Financial instruments

Financial assets

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.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(h) Financial instruments

Financial assets

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).

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(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.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(i) Leases

(ii) Lease liability

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.

(iii) Peppercorn or below market leases

The Union has elected to recognise the fair value of the leased property at inception of the lease. The difference between the fair value of the leased asset and the lease liability measured at the present value of the 'peppercorn' lease rental, is recognised as expense.

The Union has a peppercorn rental agreement for premises it occupies. The conditions of the lease are those that would apply generally to a commercial rental agreement. The lease term is for 5 years commencing 6 August 2020. The lease has an option of a further 5 years.

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.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(j) Property, plant and equipment

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.

(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.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(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.

(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) Adoption of new and revised accounting standards

The Union has adopted all standards which became effective for the first time during the period ended 22 February 2025. None of the new standards had a material impact on the reported financial position of performance.

(o) New accounting standards and Interpretations not yet adopted

Certain new accounting standards have been published that are not mandatory for 22 February 2025 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.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

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.

(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.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

3 Revenue and other income

	2025
	\$
Revenue	
- Membership subscriptions	830,018
- Donations received	906,612
- Income from another reporting unit - reimbursements	345,130
- Board sitting fees received	86,821
	<u>2,168,581</u>
Other revenue	
- Interest income	66,786
- Branch conference income	20,000
- Other income	42,901
	<u>129,687</u>
	<u><u>2,298,268</u></u>

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	1,251,742
- Over time	916,839
	<u>2,168,581</u>
Revenue from contracts with customers	<u><u>2,168,581</u></u>

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

4 Result for the period

The result for the period includes the following specific expenses

	2025
	\$
Employee benefits expense comprises:	
<i> Holders of office:</i>	
- Wages and salaries	-
- Superannuation	-
- Leave and other entitlements	-
- Separation and redundancies	-
- Other employee expenses (Including payroll tax and FBT)	-
<i> Employees other than office holders:</i>	
- Wages and salaries	1,389,757
- Superannuation	153,907
- Leave and other entitlements	30,328
- Separation and redundancies	-
- Other employee expenses (including payroll tax and FBT)	181,454
	<u>1,755,446</u>
Total employee benefits expense	<u><u>1,755,446</u></u>
Other expenses:	
Capitation fees paid to CFMEU Construction and General - National Office	82,245
Affiliation fees:	
Australian People for Health Education & Development Abroad	1,377
Australian Labor Party	5,339
Building Workers International	1,715
Unions ACT	10,642
	<u>19,073</u>

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

4 Result for the period

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

	Note	2025 \$
Conference and meeting expenses		80,008
Donations - greater than \$1,000		50,000
Fees or allowances to attend conferences or meetings as a representative of the reporting unit		17,302
Legal costs - litigation		35,540
Legal costs - other legal matters		87
		35,627

5 Cash and cash equivalents

Cash at bank		1,054,408
Cash on hand		600
		1,055,008

6 Trade and other receivables

CURRENT		
Trade receivables		83,692
Less: Allowance for unexpected credit losses	6(a)	(82,318)
		1,374
Other receivables		384
		1,758

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

6 Trade and other receivables

(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 days past due. The loss allowance provision is determined as follows, with the expected credit losses incorporating forward looking information:

	Current	> 30 days overdue	> 90 days overdue	Total
22 February 2025				
<i>Expected loss rate (%)</i>	<i>98.3</i>	-	-	
Gross carrying amount (\$)	83,692	-	-	83,692
ECL provision	82,318	-	-	82,318

7 Financial assets

Financial assets at fair value through profit or loss

2025
\$

CURRENT

Financial assets at amortised cost

Term deposits

2,700,000

NON-CURRENT

Financial assets at fair value through profit or loss

Equity securities - designated at fair value through Profit or Loss

4,787

8 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 leases over office equipment.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

8 Leases

Right-of-use assets

Movements in carrying value of right-of-use assets

	Office equipment \$
Period ended 22 February 2025	
Balance at beginning of year	9,537
Depreciation charge	<u>(4,402)</u>
Balance at end of period	<u><u>5,135</u></u>

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year \$	1 - 5 years \$	Total undiscounted lease liabilities \$	Lease liabilities included in the Balance Sheet \$
2025				
Lease liabilities	<u>4,808</u>	-	<u>4,808</u>	<u>5,574</u>

Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Union is a lessee are shown below:

	2025 \$
Interest expense on lease liabilities	(144)
Depreciation of right-of-use assets	<u>(4,402)</u>
	<u><u>(4,546)</u></u>

Statement of Cash Flows

Total cash outflow for leases	<u><u>4,808</u></u>
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Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

9 Property, plant and equipment

	2025 \$
Motor vehicles	
At cost	650,245
Accumulated depreciation	<u>(144,759)</u>
	<u>505,486</u>
Office equipment	
At cost	489,189
Accumulated depreciation	<u>(358,391)</u>
Total office equipment	<u>130,798</u>
Total property, plant and equipment	<u><u>636,284</u></u>

(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 period:

	Motor vehicles \$	Plant & Equipment \$	Total \$
Period ended 22 February 2025			
Balance at the beginning of period	582,369	131,369	713,738
Additions	-	35,117	35,117
Disposals - written down value	-	-	-
Depreciation expense	<u>(76,883)</u>	<u>(35,688)</u>	<u>(112,571)</u>
Balance at the end of the period	<u><u>505,486</u></u>	<u><u>130,798</u></u>	<u><u>636,284</u></u>

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

10 Intangible Assets

	Note	2025 \$
Intangible assets under development		
At cost	10(a)	<u>395,648</u>

(a) Movements in carrying amounts of intangible assets

	Computer software \$
Period ended 22 February 2025	
Balance at the beginning of the year	336,573
Additions	<u>59,075</u>
Balance at the end of the year	<u>395,648</u>

11 Trade and other payables

	2025 \$
Trade payables	79,110
Other payables	<u>217,320</u>
	<u>296,430</u>

(a) Payables to other reporting entities:

CFMEU Construction & General - National office	<u>31,864</u>
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Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

12 Other Financial Liabilities

	2025
	\$
CURRENT	
Amounts received in advance	282,861
Borrowings	16,755
Total	299,616
NON-CURRENT	
Borrowings	434,716

13 Employee benefits

CURRENT	
Annual leave	203,003
Long service leave	264,421
Sick leave	143,391
Other	234,257
	845,072
NON-CURRENT	
Long service leave	53,714

(a) Total employee benefits attributable to:

Office Holders:

Annual leave - current	-
Long service leave - current	-
Sick leave - current	-
Other - current	-
	-

Employees other than office holders:

Annual leave - current	203,003
Long service leave - current	264,421
Long service leave - non-current	53,714
Sick leave - current	143,391
Other - current	234,257
Total employee benefits	898,786

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

14 Financial risk management

The main risks Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory 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	2025 \$
Financial Assets		
Cash and cash equivalents	5	1,055,008
Trade and other receivables	6	83,692
Financial assets at amortised cost		
- term deposits	7	2,700,000
Financial assets at FVTPL		
- listed investments	7	4,787
Total financial assets		3,843,487
Financial Liabilities		
Trade and other payables		237,084
Lease liability	8	5,574
Borrowings	12	451,471
Total financial liabilities		694,129

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.

Financial liability maturity analysis - Non-derivative

(i) Other price risk

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

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

14 Financial risk management

(i) Other price 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 a material level of ASX index price risk.

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.

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

	2025
	\$
Amortised cost	
Interest revenue	66,786

15 Key Management Personnel Remuneration

No remuneration was paid to key management personnel of Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch during the 6 month period ending 22 February 2025, as the entity is under administration, and the administrator is paid by the CFMEU Construction and General Division - National Office with reimbursements noted in the related related party disclosures.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

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.

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
2025	\$	\$	\$	\$
Recurring fair value measurements				
Financial assets				
Listed Shares	4,787	-	-	4,787

17 Capital Commitments

At 22 February 2025, the branch has made a capital expenditure commitment to CFMEU C&G National Office for \$672,539 over the next 5 years. The capitation expenditure is for the AS400 Modernisation Project which has commenced in July 2023 and will take 3-5 years to complete. The project is a complete redevelopment of the membership database system. Branches from all states will also be contributing to this project.

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 Officer (whether executive or otherwise) of that entity is considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 15: Key Management Personnel Remuneration.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

18 Related party transactions

(b) Transactions with related parties

Key operating transactions and/or balances with related parties are disclosed at notes 4, 6, 10, 11 and 17.

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the period ending 22 February 2025, the Construction Forestry and Maritime Employees Union, The Construction and General Division, Australian Capital Territory Divisional Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (year ending March 2024: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Terms and conditions of transactions with related parties

From time-to-time, the National Office of the Construction & General Division of the CFMEU ("CFMEU C&G 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 CFMEU C&G 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 cash flows reported at note 20(b) and 20(c). Additionally, any amounts outstanding as at balance date between related parties have been disclosed at note 11(a).

	2025
	\$
<i>(i) Income</i>	
CFMEU Construction and General - National office	
Wage reimbursement	252,619
Travel related cost	81,797
Construction Charitable Works Ltd	
Goods and services	571
Canberra Tradesmen's Union Club	
Donations received	906,612
CFMEU Construction and General - Victorian/Tasmanian Divisional Branch	
Other expenses	11,442

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

18 Related party transactions

	2025
	\$
(ii) Expenses	
CFMEU Construction and General - National office	
IT cost reimbursement	79,096
Administration charge levy	18,554
Wage reimbursement	18,928
CFMEU Construction and General - Victorian/Tasmanian Divisional Branch	
Goods and services	11,442
Canberra Tradesmen's Union Club	
Goods and services	22,458

19 Economic dependency

The continuing operation of the Union is dependent upon the financial support by the Canberra Tradesmen's Union Club Limited to the Construction Forestry and Maritime Employees Union, The Construction and General Division, Australian Capital Territory Divisional Branch. The support from Canberra Tradesmen's Union Club included financial support totalling \$906,612.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

20 Cash flow information

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

	2025
	\$
Result for the period	(399,712)
Cash flows excluded from profit attributable to operating activities	
Non-cash flows in profit:	
- depreciation and amortisation	116,973
- loss/(gain) on disposal of plant and equipment	6,282
Changes in assets and liabilities:	
- (increase)/decrease in trade and other receivables (net of provision)	222,959
- (increase)/decrease in prepayments	(63,401)
- (increase)/decrease in income in advance	(13,586)
- increase/(decrease) in trade payables	7,840
- increase/(decrease) in employee benefits	30,328
Cashflow from operations	<u>(92,317)</u>

(b) Net cash flows from Reporting Units

Inflows	
CFMEU C&G National Office	366,788
CFMEU C&G Victorian - Tasmania Branch	11,471

(c) Net cash flows to Reporting Units

Outflows	
CFMEU C&G National Office	279,008
CFMEU C&G Victorian - Tasmania Branch	11,471

21 Events after the end of the Reporting Period

Subsequent to period end, the Administrator performed a review of the AS400 project, recorded as an intangible asset in the respective branches' financial reports. As part of this review the Administrator decided to not proceed with the project. As a result of this decision, the intangible assets previously recognised will be impaired, with further costs expected to arise as a result of cancelling the project. No adjustment to intangible assets or related balances has been made in this financial report as it has been deemed a non-adjusting event after the reporting period.

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

21 Events after the end of the Reporting Period

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial period 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.

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).

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Administrator Declaration Statement

For the 6 month period ended 22 February 2025

I, Mark Irving KC, being the Administrator of the Construction Forestry and Maritime Employees Union – Australian Capital Territory Branch, declare that the following activities did not occur during the reporting period ending 22 February 2025.

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 from another reporting unit
- ~~receive any other revenue amount from another reporting unit~~
- receive revenue via compulsory levies
- ~~receive donations~~
- receive 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
- ~~have a payable with other reporting unit~~
- 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

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Administrator Declaration Statement

For the Period Ended 22 February 2025

- 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 a 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



Mark Irving KC
Administrator

Dated: 24/07/2025

Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch

Report required under subsection 255(2A)

For the period ended 22 February 2025

The Administrator presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the period ended 22 February 2025.

	2025 \$
Remuneration and other employment-related costs and expenses - employees	1,755,446
Advertising	230
Operating Costs	774,105
Donations to political parties	-
Legal costs	35,627



Mark Irving KC
Administrator

Dated: 24/07/2025

COMPILATION REPORT TO CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION - THE CONSTRUCTION AND GENERAL DIVISION - AUSTRALIAN CAPITAL TERRITORY DIVISIONAL BRANCH

We have compiled the accompanying general purpose financial statements of Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch, which comprise the balance sheet as at 22 February 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the 6 month period then ended, a summary of material accounting policies and other explanatory notes. These have been prepared in accordance with Australian Accounting Standards and the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

The Responsibility of the Administrator

The Administrator of Construction, Forestry and Maritime Employees Union - The Construction and General Division - Australian Capital Territory Divisional Branch is solely responsible for the information contained in the general purpose financial statements and the reliability, accuracy and completeness of the information.

Our Responsibility

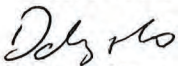
On the basis of information provided by the Administrator we have compiled the accompanying general purpose financial statements in accordance with the financial reporting framework and APES 315 Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with Australian Accounting Standards and the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The general purpose financial statements were compiled for the benefit of the Administrator who is responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the general purpose financial statements.



Daley & Co
Chartered Accountants

Date: 30 July 2025
Liability limited by a scheme approved under Professional Standards Legislation

38.

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CHARTERED ACCOUNTANTS
AUSTRALIA • NEW ZEALAND

**Construction, Forestry and Maritime Employees Union Construction and
General Division New South Wales Divisional Branch**

Financial Statements

For the 6 month period ended 22 February 2025

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Financial Statements

For the 6 month period ended 22 February 2025

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Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Operating Report

For the 6 month period ended 22 February 2025

The Administrator presents their operating report of the Construction, Forestry and Maritime Employees Union Construction and General Division New South Wales Divisional Branch ("the Union") for the 6 month period ended 22 February 2025.

Names of Committee of Management members and period positions held during the financial year

On 23 August 2024 the Union was placed into Administration, and therefore, apart from the Administrator, there is no Committee of Management.

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 Construction, Forestry and Maritime Employees Union Construction and General Division New South Wales Divisional Branch during the financial year were:

- Implementation of Divisional Executive Decisions.
- 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.
- Campaigns against unjust and repressive labour laws introduced by the Federal Liberal Government.

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

The surplus for the Union for the period ended 22 February 2025 was \$5,238,866 and the Administrator believes that the activities of the Union have achieved their objectives for the financial period.

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Operating Report

For the 6 month period ended 22 February 2025

Significant changes in financial affairs

The significant changes in the state of affairs of the Union that occurred during the financial period was that on 23 August 2024 the Construction, Forestry and Maritime Employees Union, Construction and General Division and its branches were placed into Administration.

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

Ms Rita Mallia is a director of United Super Pty Limited which acts as Trustee of CBus.

To the best of my knowledge, no other 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 23,215 members of the Union as at 22 February 2025.

Number of employees

As at 22 February 2025 the Union had 33 full-time equivalent employees.

Signed in accordance with a resolution of the Administrator:



Mark Irving KC
Administrator

Dated: 24/07/2025

Melbourne

Construction, Forestry and Maritime Employees Union Construction & General Division New South Wales Divisional Branch

Administrator Statement

22 February 2025

On 24 July 2025, the Administrator of the Construction, Forestry and Maritime Employees Union Construction and General Division New South Wales Divisional Branch ("the Union"), passed the following resolution in relation to the general purpose financial report for the period ended 22 February 2025:

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 Union for the financial period to which they relate;
- d) there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable; and
- e) during the financial period to which the general purpose financial report relates and since the end of that period:
 - i) meetings of the Committee of Management up until to Administration were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - ii) the financial affairs of the Union 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 Union 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 Union have been kept, as far as practicable, in a consistent manner with each or the other reporting units of the organisation; and
 - v) where information has been sought in any request by a member of the Union or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or 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.



Mark Irving KC
Administrator

Dated: 24/07/2025

Construction, Forestry and Maritime Employees Union
Construction & General Division New South Wales Divisional Branch

Statement of Profit or Loss and Other Comprehensive Income

For the 6 month period ended 22 February 2025

	Note	2025 \$
Revenue	3	8,125,580
Other income	3	4,582,103
		<u>12,707,683</u>
Employee benefits expense	4	(3,968,541)
Legal costs	4	(79,157)
Professional fees		(37,234)
Motor vehicle expenses		(262,441)
Depreciation and amortisation expense	9(a)	(248,507)
Sustentation fees		(804,974)
Levies		(89,550)
Insurance expenses		(232,139)
Merchandise		(65,238)
IT costs		(266,940)
Rent paid		(313,590)
Picnic expenses		(317,518)
Administration expenses		(181,596)
Affiliation fees	4	(1,603)
Other expenses		(599,789)
		<u>(7,468,817)</u>
Result for the period		<u>5,238,866</u>
Other comprehensive income for the period		-
Total comprehensive income for the period		<u><u>5,238,866</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union
Construction & General Division New South Wales Divisional Branch

Balance Sheet

As at 22 February 2025

	Note	2025 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	5	12,216,295
Trade and other receivables	6	1,172,172
Financial assets	7	<u>26,950,646</u>
TOTAL CURRENT ASSETS		<u>40,339,113</u>
NON-CURRENT ASSETS		
Property, plant and equipment	9	1,656,601
Financial assets	7	7,914
Intangible assets	10	4,099,465
Investment in joint ventures	15	-
TOTAL NON-CURRENT ASSETS		<u>5,763,980</u>
TOTAL ASSETS		<u>46,103,093</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	11	710,041
Contract liabilities	8	2,381,592
Employee benefits	12	<u>2,679,521</u>
TOTAL CURRENT LIABILITIES		<u>5,771,154</u>
NON-CURRENT LIABILITIES		
Employee benefits	12	<u>36,990</u>
TOTAL NON-CURRENT LIABILITIES		<u>36,990</u>
TOTAL LIABILITIES		<u>5,808,144</u>
NET ASSETS		<u>40,294,949</u>
EQUITY		
Retained earnings		<u>40,294,949</u>
TOTAL EQUITY		<u>40,294,949</u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

**Construction, Forestry and Maritime Employees Union
Construction & General Division New South Wales Divisional Branch**

Statement of Changes in Equity

For the 6 month period ended 22 February 2025

	Retained Earnings \$
Balance at 22 August 2024	35,056,083
Result for the period	<u>5,238,866</u>
Balance at 22 February 2025	<u><u>40,294,949</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union
Construction & General Division New South Wales Divisional Branch

Statement of Cash Flows

For the 6 month period ended 22 February 2025

	2025
	Note \$
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers and contributions	12,878,717
Payments to suppliers and employees	(7,372,388)
Interest received	1,065,477
Net cash provided by operating activities	19(a) <u>6,571,806</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Payments for plant and equipment	(362,466)
Payments for intangible assets	(1,065,160)
Proceeds from sale of plant and equipment	180,355
Net proceeds from financial assets	94,586
Net cash used by investing activities	<u>(1,152,685)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Net cash used by financing activities	<u>-</u>
Net increase/(decrease) in cash and cash equivalents held	5,419,121
Cash and cash equivalents at beginning of period	<u>6,797,174</u>
Cash and cash equivalents at end of the period	5 <u><u>12,216,295</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

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.

On 23 August 2024, the CFMEU Construction and General National Office and its branches were placed into Administration. This financial report has been prepared to comply with the reporting requirements whilst being under Administration.

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) Comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

(c) 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.

Construction, Forestry and Maritime Employees Union Construction and General Division New South Wales Divisional Branch has determined that it has only joint ventures.

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.

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(c) Principles of consolidation

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.

(d) 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.

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.

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(d) Revenue and other income

Membership Subscriptions

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.

Interest revenue

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

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.

(e) 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.

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(e) **Goods and services tax (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.

(f) **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).

(g) **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.

(h) **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.

(i) **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).

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(i) Financial instruments

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.

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.

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(i) Financial instruments

Financial assets

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.

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.

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(i) Financial instruments

Financial assets

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).

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(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%
Leasehold improvements	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.

(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).

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(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.

(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.

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(n) Going concern

The Union has agreed to provide financial support to 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 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 from the State registered Union. During the period ended 22 February 2025, 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.

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 cash flows reported at note 18. Additionally, any amounts outstanding as at balance date between related parties have been disclosed at notes 6 or 11.

(p) Adoption of new and revised accounting standards

The Union has adopted all standards which became effective for the first time during the period ended 22 February 2025. 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 22 February 2025 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.

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

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) Critical judgements and estimations applied in recognising intangible assets

As at balance date, the Union had spent \$4,099,465 on a purpose-built membership database, which represents the period to date costs of a 3-5 year project commitment (refer note 16). This expenditure has been capitalised in full (refer note 9) and has been assessed by the Union to meet all the requirements for recognition as an asset, including that the expected future economic benefits recognised as an asset will flow to the Union in accordance with the account policies referred to at notes 1(k) and 1(l).

(b) 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.

(c) 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.

(d) 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.

Construction, Forestry and Maritime Employees Union
Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

3 Revenue and other income

	2025
	\$
Revenue from contracts with customers	
- Membership subscriptions	7,945,839
- EBA services	173,041
- Promotion and advertising reimbursements	6,700
Total revenue from contracts with customers	<u>8,125,580</u>
Other income	
- Investment income	605,106
- Legal fees recovered	3,494,225
- Net gain/(loss) on disposal of plant and equipment	47,178
- Distribution from joint venture	15 229,053
- Other income	206,541
Total other income	<u>4,582,103</u>
Total Revenue	<u>12,707,683</u>

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	179,741
- Over time	7,945,839
Revenue from contracts with customers	<u>8,125,580</u>

**Construction, Forestry and Maritime Employees Union
Construction & General Division New South Wales Divisional Branch**

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

4 Result for the period

The result for the period includes the following specific expenses

	2025 \$
Employee benefits expense comprises:	
<i> Holders of office:</i>	
- Wages and salaries	-
- Superannuation	-
- Leave and other entitlements	-
- Separation and redundancies	-
- Other employee expenses (Including payroll tax and FBT)	-
<i> Employees other than office holders:</i>	
- Wages and salaries	3,108,047
- Superannuation	437,145
- Leave and other entitlements	-
- Separation and redundancies	98,011
- Other employee expenses (including payroll tax and FBT)	325,338
Total employee benefits expense	<u><u>3,968,541</u></u>
Other expenses:	
Capitation fees paid to CFMEU Construction and General National Office	<u><u>804,974</u></u>
Affiliation fees:	
Australian People for Health Education & Development Abroad	<u><u>1,603</u></u>
Expenses relating to short-term leases	<u><u>313,590</u></u>
Compulsory Levy - National campaign levy paid to CFMEU Construction and General - National Office	<u><u>89,550</u></u>

Construction, Forestry and Maritime Employees Union
Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

4 Result for the period

The result for the period includes the following specific expenses

	2025 \$
Conference and meeting expenses	22,920
Legal costs - litigation	78,948
Legal costs - other legal matters	209
	<u>79,157</u>

5 Cash and cash equivalents

Cash at bank	<u>12,216,295</u>
--------------	-------------------

6 Trade and other receivables

CURRENT	
Trade receivables	956,755
Provision for impairment	6(a) <u>(416,112)</u>
	540,643
Prepayments	246,348
Accrued income	320,730
Other receivables	64,451
	<u>1,172,172</u>

(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 days past due. The loss allowance provision is determined as follows, with the expected credit losses incorporating forward looking information:

22 February 2025	Current	> 30 days overdue	> 90 days overdue	Total
<i>Expected loss rate (%)</i>	41.0	100.0	100.00	
Gross carrying amount (\$)	916,151	40,484	120	956,755
ECL provision	375,508	40,484	120	416,112

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

7	Financial assets	2025
		\$
	CURRENT	
	Term deposits	<u><u>26,950,646</u></u>
	NON-CURRENT	
	Listed shares - at fair value	<u><u>7,914</u></u>
8	Contract liabilities	
	CURRENT	
	Income received in advance	<u><u>2,381,592</u></u>

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 22 February 2025 is \$2,381,592. 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.

Construction, Forestry and Maritime Employees Union
Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

9 Property, plant and equipment	2025
	\$
Furniture, fixtures and fittings	
At cost	706,821
Accumulated depreciation	<u>(363,792)</u>
	<u>343,029</u>
Leasehold improvements	
At cost	60,800
Accumulated depreciation	<u>(10,389)</u>
	<u>50,411</u>
Motor vehicles	
At cost	1,656,326
Accumulated depreciation	<u>(393,165)</u>
	<u>1,263,161</u>
Total property, plant and equipment	<u><u>1,656,601</u></u>

Construction, Forestry and Maritime Employees Union Construction and General Division - New South Wales Branch

Notes to the Financial Statements

For the Year Ended 22 February 2025

9 Property, plant and equipment

(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 period:

	Furniture, fixtures and fittings	Leasehold improvements	Motor vehicles	Total
	\$	\$	\$	\$
Period ended 22 February 2025				
Balance at the beginning of period	331,807	53,169	1,299,217	1,684,193
Additions	67,591	-	294,875	362,466
Disposals - written down value	-	-	(141,551)	(141,551)
Depreciation expense	(56,369)	(2,758)	(189,380)	(248,507)
Balance at the end of the period	343,029	50,411	1,263,161	1,656,601

**Construction, Forestry and Maritime Employees Union
Construction & General Division New South Wales Divisional Branch**

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

10 Intangible Assets

	2025
	\$
	Note
Intangible assets under development	
Cost	<u>4,099,465</u>

(a) Movements in carrying amounts of intangible assets

	Computer software
	\$
Period ended 22 February 2025	
Balance at the beginning of the period	3,034,305
Additions	<u>1,065,160</u>
Balance at the end of the period	<u>4,099,465</u>

11 Trade and other payables

	2025
	\$
Trade payables	718,325
Other payables	<u>(8,284)</u>
	<u>710,041</u>

(a) Payables to other reporting entities:

CFMEU Construction and General - National office	<u>1,254</u>
--	--------------

**Construction, Forestry and Maritime Employees Union
Construction & General Division New South Wales Divisional Branch**

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

12 Employee benefits

	2025
	\$
CURRENT	
Annual leave	1,083,547
Long service leave	1,397,080
Other	<u>198,894</u>
	<u><u>2,679,521</u></u>
NON-CURRENT	
Long service leave	<u><u>36,990</u></u>
(a) Total employee benefits attributable to:	
Office Holders:	
Annual leave - current	-
Long service leave - current	-
Other - current	<u>-</u>
Employees other than office holders:	
Annual leave - current	1,083,547
Long service leave - current	1,397,080
Long service leave - non-current	36,990
Other - current	<u>198,894</u>
	<u><u>2,716,511</u></u>

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

13 Financial risk management

The main risks Construction, Forestry and Maritime Employees Union Construction and General Division New South Wales 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	2025 \$
Financial Assets		
Cash and cash equivalents	5	12,216,295
Trade and other receivables		1,632,543
Financial assets at amortised cost		
- Term deposits	7	26,950,646
Financial assets at FVTPL		
- listed investments	7	7,914
Total financial assets		<u>40,807,398</u>
Financial Liabilities		
Trade and other payables		<u>707,788</u>
Total financial liabilities		<u>707,788</u>

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.

Financial liability maturity analysis - Non-derivative

	Within 1 year 2025 \$	Total 2025 \$
Financial liabilities due for payment		
Trade and other payables	707,788	707,788

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

13 Financial risk management

(i) Other price risk

The Union is 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.

At reporting date, if the interest rate had increased/decreased by 1.00% with all other variables held constant and all of the Union's investments moved according to the historical correlation with the interest rate, the impact on profit and equity is shown in the table below:

	2025	
	+1.00%	-1.00%
Interest rate risk		
Impact on profit	269,506	(269,506)

(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.

**Construction, Forestry and Maritime Employees Union
Construction & General Division New South Wales Divisional Branch**

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

13 Financial risk management

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

	2025
	\$
Amortised cost	
Interest revenue	<u><u>605,106</u></u>

14 Key Management Personnel Remuneration

No remuneration was paid to key management personnel of Construction, Forestry and Maritime Employees Union Construction and General Division New South Wales Divisional Branch during the 6 month period ending 22 February 2025, as the entity is under administration, and the administrator is paid by the CFMEU Construction and General Division - National Office with reimbursements noted in the related related party disclosures.

15 Interests in Joint Venture

Aggregate information for associates that are not individually material

Construction, Forestry and Maritime Employees Union Construction and General Division New South Wales Divisional Branch has interests in one Joint Venture, being UPlus, which is not considered individually material. The table below summarises the financial information.

	2025
	\$
Carrying amount of investments in associates that are not individually material	<u><u>-</u></u>
Distributions from operations	
Distribution from joint venture	<u><u>229,053</u></u>

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

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.

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
2025	\$	\$	\$	\$
Recurring fair value measurements				
Financial assets				
Listed Shares	7,914	-	-	7,914

17 Capital Commitments

During the year, the Union entered into a formal agreement with the CFMEU Construction and General - National Office (the National Office), along with all other Divisional Branches of the National Office, in relation to the development of a comprehensive software application for the secure and efficient database management and processing of all aspects of the Union's membership. This Project commenced during the year and is expected to take 3-5 years to complete. As at balance date, the Union:

- incurred costs of \$1,065,160 which were capitalised as an intangible asset (refer note 10); and
- had committed to total capital expenditures relating to the Project of \$6,063,132.

18 Related party transactions

(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 14: Key Management Personnel Remuneration.

Construction, Forestry and Maritime Employees Union
Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

18 Related party transactions

(b) Transactions with related parties

Key operating transactions and/or balances with related parties are disclosed at notes 4, 6, 10, 11 and 17.

Other miscellaneous transactions occurred with related parties, as follows:

	2025
	\$
(i) Expenses	
CFMEU Construction and General Division - National office	
IT cost reimbursement	183,359
Wage reimbursement	18,928
Administration charge levy	181,896
Other reimbursements	96,697
CFMEU Construction and General Division - NSW State Registered Union'	
Rent paid	313,590

19 Cash flow information

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

	2025
	\$
Result for the period	5,238,866
Cash flows excluded from profit attributable to operating activities	
Non-cash flows in profit:	
- depreciation and amortisation	248,507
- (gain)/loss on disposal of plant and equipment	(38,804)
Changes in assets and liabilities:	
- (increase)/decrease in trade and other receivables	437,757
- (increase)/decrease in income in advance	4,170
- increase/(decrease) in trade and other payables	681,310
Cashflow from operations	<u><u>6,571,806</u></u>

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

19 Cash flow information

(b) Net cash flows from Reporting Units	
Inflows - CFMEU Construction and General - National Office	<u><u>500,000</u></u>
(c) Net cash flows to Reporting Units	
Outflows - CFMEU Construction and General - National Office	<u><u>3,172,650</u></u>

20 Events after the end of the Reporting Period

Subsequent to period end, the Administrator performed a review of the AS400 project, recorded as an intangible asset in the respective branches' financial reports. As part of this review the Administrator decided to not proceed with the project. As a result of this decision, the intangible assets previously recognised will be impaired, with further costs expected to arise as a result of cancelling the project. No adjustment to intangible assets or related balances has been made in this financial report as it has been deemed a non-adjusting event after the reporting period.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial period 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.

21 Revenue from recovery of wages activity

During the period, 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 11.

Accordingly, the Union is acting as a conduit for the members and hence it is not appropriate to record any amounts as revenue.

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).

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Administrator Declaration Statement

For the 6 month period ended 22 February 2025

I, Mark Irving KC, being the Administrator of the Construction, Forestry and Maritime Employees Union, Construction and General Division - New South Wales Branch, declare that the following activities did not occur during the reporting period ending 22 February 2025.

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 from another reporting unit
- receive any other revenue amount from another reporting unit
- receive revenue via compulsory levies
- receive donations
- receive 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
- ~~have a payable with other reporting unit~~
- 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~~

Construction, Forestry and Maritime Employees Union

Construction & General Division New South Wales Divisional Branch

Administrator Declaration Statement

For the 6 month period ended 22 February 2025

- ~~• 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 a 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



Mark Irving KC
Administrator

Dated: 24/07/2025

Construction, Forestry and Maritime Employees Union
Construction & General Division New South Wales Divisional Branch

Report required under subsection 255(2A)

For the 6 month period ended 22 February 2025

The Administrator presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the period ended 22 February 2025.

	2025 \$
Remuneration and other employment-related costs and expenses - employees	3,968,541
Advertising	-
Operating Costs	3,172,614
Donations to political parties	-
Legal costs	79,157



Mark Irving KC
Administrator

Dated: 24/07/2025

COMPILATION REPORT TO CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION CONSTRUCTION AND GENERAL DIVISION - NEW SOUTH WALES BRANCH

We have compiled the accompanying general purpose financial statements of Construction, Forestry and Maritime Employees Union Construction and General Division - New South Wales Branch, which comprise the balance sheet as at 22 February 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the 6 month period then ended, a summary of material accounting policies and other explanatory notes. These have been prepared in accordance with Australian Accounting Standards and the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

The Responsibility of the Administrator

The Administrator of Construction, Forestry and Maritime Employees Union Construction and General Division - New South Wales Branch is solely responsible for the information contained in the general purpose financial statements and the reliability, accuracy and completeness of the information.

Our Responsibility

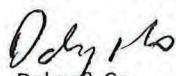
On the basis of information provided by the Administrator we have compiled the accompanying general purpose financial statements in accordance with the financial reporting framework and APES 315 Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with Australian Accounting Standards and the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The general purpose financial statements were compiled for the benefit of the Administrator who is responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the general purpose financial statements.


Daley & Co
Chartered Accountants

Date: 30 July 2025
Liability limited by a scheme approved under Professional Standards Legislation

**Construction, Forestry and Maritime Employees Union Construction and
General Division - Queensland Northern Territory Divisional Branch**

Financial Statements

For the 6 month period ended 22 February 2025

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Financial Statements

For the 6 month period ended 22 February 2025

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Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Operating Report

For the 6 month period ended 22 February 2025

The Administrator presents their operating report of the Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch ("the Union") for the 6 month period ended 22 February 2025.

Names of Committee of Management members and period positions held during the financial year

On 23 August 2024 the Union was placed into Administration, and therefore, apart from the Administrator, there is no Committee of Management.

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 Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch, fall into the following categories:

- Implementation of the decisions of the Divisional Branch Executive, Divisional Branch Management Committee and resolutions of the State Delegates' convention.
- The development and implementation of the Union policy through effective communications with members at the workplace.
- The administration of State awards, the variation of awards following major test cases (i.e. State wage case) and making over variations to awards for other industrial matters.
- Industrial support including representation of members grievances and/or advice at their workplaces and/or through the various industrial tribunals (i.e Industrial Relations Commission, Workers Compensation etc.)
- Ongoing communication to members and the broader community through meetings, rallies, media releases, journals and flyers.

The results of those activities were ongoing in providing effective leadership to officers, organisers, delegates and membership in the development, advancement and delivery of policy through a delegation of responsibilities and effective communication strategies in the areas of organising, policy/administration, and Industrial Relations/Training/Workcover.

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

The deficit for the Union for the period ended 22 February 2025 was \$136,800 and the Administrator believe that the activities of the Union have achieved their objectives for the financial year.

Significant changes in financial affairs

The significant changes in the state of affairs of the Union that occurred during the financial period was that on 23 August 2024 the Construction, Forestry and Maritime Employees Union, Construction and General Division and its branches were placed into Administration.

Right of members to resign

Members have the right to resign from the Union in accordance with section 174 of the *Fair Work (Registered Organisations) Act 2009*.

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Operating Report

For the 6 month period ended 22 February 2025

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

Those who hold a position of trustee or director of an entity, scheme or company as described in s.254(2)(d) of the *Fair Work (Registered Organisations) Act 2009*, where a criterion of such entity is that the holder of such position must be a member or official of a registered organisation are as follows:

Hemal Patel	- Member of the Union - Director of BUSSQ
Paul Dunbar	- Member of the Union - Director of BUSSQ
Emma Eaves	- Member of the Union - Director of BUSSQ

No other 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 15,097 members of the Union as at 22 February 2025.

Number of employees

As at 22 February 2025 the Union had 12 full-time equivalent employees.

Signed in accordance with a resolution of the Administrator:



Mark Irving KC
Administrator

Dated: 24/07/2025

Melbourne

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Administrator Statement

22 February 2025

On 24 July 2025, the Administrator of the Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch ("the Union"), passed the following resolution in relation to the general purpose financial report for the period ended 22 February 2025:

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 Union for the financial period to which they relate;
- d) there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable; and
- e) during the financial period to which the general purpose financial report relates and since the end of that period:
 - i. meetings of the Committee of Management up to the point of Administration were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - ii. the financial affairs of the Union 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 Union 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 Union have been kept, as far as practicable, in a consistent manner with each or the other reporting units of the organisation; and
 - v. where information has been sought in any request by a member of the Union or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or 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.



Mark Irving KC
Administrator

Dated: 24/07/2025

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Statement of Profit or Loss and Other Comprehensive Income

For the 6 month period ended 22 February 2025

	Note	2025 \$
Revenue	3	3,259,877
Other income	3	74,552
		<u>3,334,429</u>
Employee benefits expense	4	(1,472,311)
Apprentice Schemes expense		(734,402)
Capitation fees	4	(227,373)
Depreciation expense	7(a)	(337,180)
BERT Contributions		(46,004)
Motor vehicle expenses		(62,814)
Organiser expenses		(32,329)
Donations paid	4	(100,000)
Legal costs	4	(131,100)
Loss on disposal of assets		(28,589)
Other expenses		(299,127)
		<u>(3,471,229)</u>
Result for the period		<u>(136,800)</u>
Other comprehensive income for the period		<u>-</u>
Total comprehensive income for the period		<u><u>(136,800)</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Balance Sheet

As At 22 February 2025

	Note	2025 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	5	1,909,434
Trade and other receivables	6	126,893
Prepayments		165
TOTAL CURRENT ASSETS		<u>2,036,492</u>
NON-CURRENT ASSETS		
Trade and other receivables	6	10,310,486
Property, plant and equipment	7	2,187,618
TOTAL NON-CURRENT ASSETS		<u>12,498,104</u>
TOTAL ASSETS		<u>14,534,596</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	8	3,966,142
Employee benefits	9	864,678
TOTAL CURRENT LIABILITIES		<u>4,830,820</u>
NON-CURRENT LIABILITIES		
Employee benefits	9	147,103
TOTAL NON-CURRENT LIABILITIES		<u>147,103</u>
TOTAL LIABILITIES		<u>4,977,923</u>
NET ASSETS		<u><u>9,556,673</u></u>
EQUITY		
Retained earnings		<u>9,556,673</u>
TOTAL EQUITY		<u><u>9,556,673</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

**Construction, Forestry and Maritime Employees Union Construction and General
Division - Queensland Northern Territory Divisional Branch**

Statement of Changes in Equity

For the 6 month period ended 22 February 2025

	Retained Earnings \$
Balance at 22 August 2024	9,693,473
Result for the period	<u>(136,800)</u>
Balance at 22 February 2025	<u><u>9,556,673</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Statement of Cash Flows

For the 6 month period ended 22 February 2025

	Note	2025 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and contributions		3,584,805
Interest received		4,915
Payments to suppliers and employees		<u>(3,673,015)</u>
Net cash used by operating activities	14(a)	<u>(83,295)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for plant and equipment		<u>(103,881)</u>
Net cash used by investing activities		<u>(103,881)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net movement in related party loan		<u>(412,627)</u>
Net cash used by financing activities		<u>(412,627)</u>
Net increase/(decrease) in cash and cash equivalents held		(599,803)
Cash and cash equivalents at beginning of period		<u>2,509,237</u>
Cash and cash equivalents at end of the period	5	<u><u>1,909,434</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

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.

On 23 August 2024, the Union and its branches were placed into Administration. This financial report has been prepared to comply with the reporting requirements whilst being under Administration.

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.

Due to software limitations, accounting reports cannot be produced mid-month, therefore this financial report is for the period 1 September 2024 to 28 February 2025, which is expected to be materially consistent with the six months ended 22 February 2025.

(b) Comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

(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.

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(c) Revenue and other income

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.

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.

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(c) Revenue and other income

Interest revenue

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

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.

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(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.

(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 that 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.

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(h) Financial instruments

Financial assets

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.

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.

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(h) Financial instruments

Financial assets

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.

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.

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(h) Financial instruments

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).

(i) 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	10 - 33%
Motor vehicles	25%

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.

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(j) 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.

(k) 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.

(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.

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(l) Going concern

The Union is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The Union has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

(m) Defence Fund

The Defence Fund is maintained to provide the additional resources needed to defend members of the QNTDB and the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division (CFMEUQ) against continuing attacks from employers and Federal Government agencies.

The members resident in the Northern Territory continue to make contributions in accordance with the compulsory Defence Fund levy which is retained by the QNTDB. The surplus in compulsory Defence Fund levy collected from Northern Territory members during the year was \$9,831.

Funds collected by the compulsory Defence Fund levy are held in cash and short-term investments. No funds have been invested in assets.

All funds required by the rules of the Union are included in the retained earnings as detailed in the statement of changes in equity.

(n) Adoption of new and revised accounting standards

The Union has adopted all standards which became effective for the first time during the period ended 22 February 2025. None of the new standards had a material impact on the reported financial position of performance.

(o) New accounting standards and Interpretations not yet adopted

Certain new accounting standards have been published that are not mandatory for 22 February 2025 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.

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

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.

(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.

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

3 Revenue and other income

	2025 \$
Revenue from contracts with customers	
- Membership subscriptions	61,468
- Enterprise Bargaining Agreement income	108,000
- Meeting fees received	135,056
- Training income	736,882
	1,041,406
- Levies	
- Compulsory levy – Campaign	1,373
- Compulsory levy – Defence Fund	4,583
	5,956
- Grants and Donations	
- Grants other	287,336
- Grants Apprentice Scheme	1,925,179
	2,212,515
Total Revenue from contracts with customers	3,259,877
Other income	
- Other income	69,636
- Interest income	4,916
	74,552

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

- Over time	3,259,877
- At a point in time	-
Revenue from contracts with customers	3,259,877

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

4 Result for the period

The result for the period includes the following specific expenses

	2025 \$
Employee benefits expense comprises:	
<i>Holders of office:</i>	
- Wages and salaries	-
- Superannuation	-
- Leave and other entitlements	-
- Separation and redundancies	-
- Other employee expenses (Including payroll tax and FBT)	-
<i>Employees other than office holders:</i>	
- Wages and salaries	1,050,647
- Superannuation	170,547
- Leave and other entitlements	11,144
- Separation and redundancies	-
- Other employee expenses (including payroll tax and FBT)	239,973
	<u>1,472,311</u>
Total employee benefits expense	<u><u>1,472,311</u></u>
Other expenses:	
Capitation fees paid to CFMEU Construction and General Division - National Office	227,373
Donations - greater than \$1,000	100,000
Legal costs - litigation	131,100

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

5 Cash and cash equivalents

	Note	2025 \$
Cash at bank		<u>1,909,434</u>

6 Trade and other receivables

CURRENT

Trade receivables		126,337
Less: Allowance for unexpected credit losses	6(a)	<u>-</u>
		126,337
Other receivables		<u>556</u>
		<u>126,893</u>

NON-CURRENT

Related party receivable - CFMEUQ		<u>10,310,486</u>
-----------------------------------	--	-------------------

(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 days past due. The loss allowance provision is determined as follows, with the expected credit losses incorporating forward looking information:

	Current	> 30 days overdue	> 90 days overdue	Total
22 February 2025				
<i>Expected loss rate (%)</i>	-	-	-	
Gross carrying amount (\$)	<u>126,337</u>	-	-	<u>126,337</u>
ECL provision	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(b) Receivables from other reporting units

	2025 \$
CFMEUQ	<u>23,377</u>

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

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

7 Property, plant and equipment

	2025
	\$
Furniture, fixture and fittings	
At cost	226,037
Accumulated depreciation	<u>(175,598)</u>
	<u>50,439</u>
Motor vehicles	
At cost	3,131,159
Accumulated depreciation	<u>(993,980)</u>
	<u>2,137,179</u>
Total property, plant and equipment	<u><u>2,187,618</u></u>

(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 period:

	Motor vehicles	Furniture, fixture and fittings	Total
	\$	\$	\$
Period ended 22 February 2025			
Balance at the beginning of period	2,183,874	62,293	2,246,167
Additions	103,881	-	103,881
Depreciation expense	<u>(150,576)</u>	<u>(11,854)</u>	<u>(162,430)</u>
Balance at the end of the period	<u><u>2,137,179</u></u>	<u><u>50,439</u></u>	<u><u>2,187,618</u></u>

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

8	Trade and other payables	2025
		\$
	Trade payables	220,649
	Income received in advance	3,730,759
	GST payable	14,734
		<u>3,966,142</u>
9	Employee benefits	
	CURRENT	
	Annual leave	327,635
	Long service leave	537,043
		<u>864,678</u>
	NON-CURRENT	
	Long service leave	147,103
		<u>147,103</u>
(a)	Total employee benefits attributable to:	
	Office Holders:	
	Annual leave - current	-
	Long service leave - current	-
	Other - current	-
		<u>-</u>
	Employees other than office holders:	
	Annual leave - current	327,635
	Long service leave - current	537,043
	Long service leave - non-current	147,103
		<u>1,011,781</u>
	Total employee benefits	<u>1,011,781</u>

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

10 Financial risk management

The main risks Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory 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	2025 \$
Financial Assets		
Cash and cash equivalents	5	1,909,434
Trade and other receivables	6	10,310,486
Total financial assets		<u>12,219,920</u>
Financial Liabilities		
Trade and other payables	8	220,649
Total financial liabilities		<u>220,649</u>

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.

Financial liability maturity analysis - Non-derivative

	Within 1 year 2025 \$	Total 2025 \$
Financial liabilities due for payment		
Trade and other payables	220,649	220,649

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

10 Financial risk management

(i) 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.

11 Key Management Personnel Remuneration

No remuneration was paid to key management personnel of Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch during the 6 month period ending 22 February 2025, as the entity is under administration, and the administrator is paid by the CFMEU Construction and General Division - National Office with reimbursements noted in the related related party disclosures.

12 Fair Value Measurement

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.

The Union has no assets or liabilities measured at fair value.

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

13 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 11: Key Management Personnel Remuneration.

(b) Transactions with related parties

Key operating transactions and/or balances with related parties are disclosed at notes 4 and 6.

Other miscellaneous transactions occurred with related parties, as follows:

	2025
	\$
<i>(i) Expenses</i>	
CFMEUQ	
Rent paid	220,313

14 Cash flow information

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

Result for the period	(136,800)
Cash flows excluded from profit attributable to operating activities	
Non-cash flows in profit:	
- depreciation and amortisation	162,430
Changes in assets and liabilities:	
- (increase)/decrease in trade and other receivables	45,193
- (increase)/decrease in prepayments	2,188
- (increase)/decrease in income in advance	98,280
- increase/(decrease) in trade and other payables	(265,730)
- increase/(decrease) in employee benefits	11,144
Cashflow from operations	<u>(83,295)</u>

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

14 Cash flow information

(b) Net cash flows to Reporting Units

	2025
	\$
Outflows	
CFMEUQ	250,110

(c) Credit standby arrangements and loan facilities

CBA Mastercard Facility	
Used facility	-
Unused facility	60,000
Total facility	<u>60,000</u>

15 Events after the end of the Reporting Period

Subsequent to period end, the Administrator performed a review of the AS400 project, recorded as an intangible asset in the respective branches' financial reports. As part of this review the Administrator decided to not proceed with the project. As a result of this decision, the intangible assets previously recognised will be impaired, with further costs expected to arise as a result of cancelling the project. No adjustment to intangible assets or related balances has been made in this financial report as it has been deemed a non-adjusting event after the reporting period.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial period 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.

16 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).

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Administrator Declaration Statement

For the 6 month period ended 22 February 2025

I, Mark Irving KC, being the Administrator of the Construction, Forestry and Maritime Employees Union, Construction and General Division – Queensland Northern Territory Divisional Branch, declare that the following activities did not occur during the reporting period ending 22 February 2025.

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 from another reporting unit
- receive any other revenue amount from another reporting unit
- ~~receive revenue via compulsory levies~~
- receive donations
- ~~receive 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~~
- have a payable with other reporting unit
- 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

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Administrator Declaration Statement

For the Period Ended 22 February 2025

- 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 a 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



Mark Irving KC
Administrator

Dated: 24/07/2025

Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch

Report required under subsection 255(2A)

For the period ended 22 February 2025

The Administrator presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the period ended 22 February 2025.

	2025 \$
Remuneration and other employment-related costs and expenses - employees	1,468,841
Advertising	2,044
Operating Costs	1,403,474
Donations to political parties	-
Legal costs	131,100



Mark Irving KC
Administrator

Dated: 24/07/2025

COMPILATION REPORT TO CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION CONSTRUCTION AND GENERAL DIVISION - QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

We have compiled the accompanying general purpose financial statements of Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch, which comprise the balance sheet as at 22 February 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the 6 month period then ended, a summary of material accounting policies and other explanatory notes. These have been prepared in accordance with Australian Accounting Standards and the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

The Responsibility of the Administrator

The Administrator of Construction, Forestry and Maritime Employees Union Construction and General Division - Queensland Northern Territory Divisional Branch is solely responsible for the information contained in the general purpose financial statements and the reliability, accuracy and completeness of the information.

Our Responsibility

On the basis of information provided by the Administrator we have compiled the accompanying general purpose financial statements in accordance with the financial reporting framework and APES 315 Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with Australian Accounting Standards and the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The general purpose financial statements were compiled for the benefit of the Administrator who is responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the general purpose financial statements.


Daley & Co
Chartered Accountants

Date: *30 July 2025*
Liability limited by a scheme approved under Professional Standards Legislation

**Construction, Forestry and Maritime Employees Union- Construction and
General Division - South Australian Divisional Branch**

Financial Statements

For the 6 month period ended 22 February 2025

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Financial Statements

For the 6 month period ended 22 February 2025

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Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Operating Report

For the 6 month period ended 22 February 2025

The Administrator presents their operating report of the Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch ("the Union") for the 6 month period ended 22 February 2025.

Names of Committee of Management members and period positions held during the financial year

On 23 August 2024 the Union was placed into Administration, and therefore, apart from the Administrator, there is no Committee of Management.

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 Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch, fall into the following categories:

- Implementation of the decisions of the Divisional Branch Executive, Divisional Branch Management Committee and resolutions of the State Delegates' convention.
- The development and implementation of the Union policy through effective communications with members at the workplace.
- The administration of State awards, the variation of awards following major test cases (ie State wage case) and making other variations to awards for other industrial matters.
- Industrial support including representation of members grievances and/or advice at their workplaces and/or through the various industrial tribunals (ie Industrial Relations Commission, Workers Compensation etc).
- Ongoing communication to members and the broader community through meetings, rallies, media releases, journals and flyers.
- Growing the organisation through good on the job organisation and strong links between the organisers and members.

The results of those activities were ongoing in providing effective leadership to officers, organisers, delegates and membership in the development, advancement and delivery of policy through a delegation of responsibilities and effective communication strategies in the areas of organising, policy/administration, and Industrial Relations/Training/Workcover.

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

The deficit for the Union for the period ended 22 February 2025 was \$295,824 and the Administrator believe's that the activities of the Union have achieved their objectives for the financial year.

Significant changes in financial affairs

The significant changes in the state of affairs of the Union that occurred during the financial period was that on 23 August 2024 the Construction, Forestry and Maritime Employees Union, Construction and General Division National Office and its branches were placed into Administration.

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*].

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Operating Report

For the 6 month period ended 22 February 2025

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

To the best of my knowledge, 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 2,564 members of the Union as at 22 February 2025.

Number of employees

As at 22 February 2025 the Union had 5 full-time equivalent employees.

Signed in accordance with a resolution of the Administrator:



Mark Irving KC
Administrator

Dated: 24/07/2025

Melbourne

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Administrator Statement

22 February 2025

On 24 July 2025, the Administrator of the Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch ("the Union"), passed the following resolution in relation to the general purpose financial report for the period ended 22 February 2025:

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 Union for the financial period to which they relate;
- d) there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable; and
- e) during the financial period to which the general purpose financial report relates and since the end of that period:
 - i) meetings of the Committee of Management up to the point of Administration were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - ii) the financial affairs of the Union 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 Union 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 Union have been kept, as far as practicable, in a consistent manner with each or the other reporting units of the organisation; and
 - v) where information has been sought in any request by a member of the Union or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or 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.



Mark Irving KC
Administrator

Dated: 24/07/2025

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Statement of Profit or Loss and Other Comprehensive Income

For the 6 month period ended 22 February 2025

	Note	2025 \$
Revenue	3	986,896
Other income	3	339,168
		<u>1,326,064</u>
Employee benefits expense	4	(773,566)
Picnic Day expenses		(381,567)
Capitation fees	4	(99,517)
Campaign expenses		(11,960)
Insurance expenses		(20,903)
Depreciation and amortisation expense	8(a)	(6,249)
Professional fees		(23,880)
Computer expenses		(47,617)
Affiliation fees	4	(2,899)
Travel expenses		(56,673)
Motor vehicle expenses		(48,681)
Other expenses		(148,374)
		<u>(1,621,886)</u>
Result for the period		<u>(295,822)</u>
Other comprehensive income for the period		-
Total comprehensive income for the period		<u><u>(295,822)</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Balance Sheet

As at 22 February 2025

	Note	2025 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	5	41,537
Trade and other receivables	6	35,233
TOTAL CURRENT ASSETS		<u>76,770</u>
NON-CURRENT ASSETS		
Property, plant and equipment	8	29,937
Intangible assets	9	473,369
TOTAL NON-CURRENT ASSETS		<u>503,306</u>
TOTAL ASSETS		<u>580,076</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	10	576,242
Income received in advance	7	439,509
Employee benefits	11	163,619
TOTAL CURRENT LIABILITIES		<u>1,179,370</u>
NON-CURRENT LIABILITIES		
Employee benefits	11	53,820
TOTAL NON-CURRENT LIABILITIES		<u>53,820</u>
TOTAL LIABILITIES		<u>1,233,190</u>
NET ASSETS		<u>(653,114)</u>
EQUITY		
Trust account		457
Retained earnings		(653,571)
TOTAL EQUITY		<u>(653,114)</u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Statement of Changes in Equity

For the 6 month period ended 22 February 2025

	Retained Earnings \$	Trust Account \$	Total \$
Balance at 22 August 2024	(357,749)	457	(357,292)
Result for the period	(295,822)	-	(295,822)
Balance at 22 February 2025	<u>(653,571)</u>	<u>457</u>	<u>(653,114)</u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Statement of Cash Flows

For the 6 month period ended 22 February 2025

	Note	2025 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and contributions		1,401,011
Interest received		248
Payments to suppliers and employees		<u>(1,576,665)</u>
Net cash used by operating activities	18(a)	<u>(175,406)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for intangible assets		<u>(122,995)</u>
Net cash used by investing activities		<u>(122,995)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from related party loan		<u>20,874</u>
Net cash used by financing activities		<u>20,874</u>
Net decrease in cash and cash equivalents held		(277,527)
Cash and cash equivalents at beginning of period		<u>319,064</u>
Cash and cash equivalents at end of the period	5	<u><u>41,537</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

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.

On 23 August 2024, the Union and its branches were placed into Administration. This financial report has been prepared to comply with the reporting requirements whilst being under Administration. There is no comparative period.

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) Comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

(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.

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(c) Revenue and other income

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.

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.

Interest revenue

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

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(c) Revenue and other income

Picnic income

The Union recognises picnic income as income upon receipt.

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.

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(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.

Classification

On initial recognition, the Union classifies its financial assets as those measured at amortised cost.

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 that 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.

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.

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(h) Financial instruments

Financial assets

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.

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.

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(h) Financial instruments

Financial assets

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 and other payables.

Income received in advance

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).

(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.

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(i) Leases

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.

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.

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

Fixed asset class	Depreciation rate
Furniture, fixtures and fittings	20 - 33%

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.

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(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.

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(m) Employee benefits

(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 financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Union incurred an operating loss of \$295,822 during the period ending 22 February 2025, and as at that date the Union's total liabilities exceeded total assets by \$653,114.

The Union is currently receiving management support from CFMEU Construction and General - National Office to improve its operations and membership offerings to enable it to become financially independent. While it goes through this process, the Union is reliant on the agreed financial support of the CFMEU Construction and General - National Office to continue on a going concern basis.

Notwithstanding these events and conditions, the Administrator believes that the Union will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

However, these events and conditions indicate that a material uncertainty exists which may cast significant doubt on the Union's ability to continue as a going concern, and therefore the Union may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the entity does not continue as a going concern.

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(o) Adoption of new and revised accounting standards

The Union has adopted all standards which became effective for the first time during the period ended 22 February 2025. None of the new standards had a material impact on the reported financial position of performance.

(p) New accounting standards and Interpretations not yet adopted

Certain new accounting standards have been published that are not mandatory for 22 February 2025 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.

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

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.

(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.

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

3 Revenue and other income

	2025 \$
Revenue from contracts with customers	
- Membership subscriptions	986,896
Total revenue from contracts with customers	<u>986,896</u>
Other revenue	
- Board fees	28,950
- Picnic Day income	241,058
- Incolink income protection	56,797
- Other income	12,363
Total other revenue	<u>339,168</u>
Total Revenue	<u>1,326,064</u>

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	-
- Over time	986,896
Revenue from contracts with customers	<u>986,896</u>

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

4 Result for the period

The result for the period includes the following specific expenses

	2025 \$
Employee benefits expense comprises:	
<i>Employees other than office holders:</i>	
- Wages and salaries	621,241
- Superannuation	70,965
- Leave and other entitlements	9,812
- Separation and redundancies	-
- Other employee expenses (including payroll tax and FBT)	71,548
Total employee benefits expense	<u><u>773,566</u></u>
Other expenses:	
Capitation fees paid to CFMEU Construction and General - National Office	99,517
Affiliation fees:	
SA Unions	2,899
Legal costs	
Legal costs - other legal matters	1,430
Conference and meeting expenses	2,486
5 Cash and cash equivalents	
Cash at bank	40,037
Cash on hand	1,500
	<u><u>41,537</u></u>

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

6 Trade and other receivables

	Note	2025 \$
CURRENT		
Trade receivables		249,471
Less: Allowance for unexpected credit losses	6(a)	<u>(214,238)</u>
		<u>35,233</u>

(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 days past due. The loss allowance provision is determined as follows, with the expected credit losses incorporating forward looking information:

22 February 2025	Current	> 30 days overdue	> 90 days overdue	Total
<i>Expected loss rate (%)</i>	85.2	-	100.00	
Gross carrying amount (\$)	238,427	-	11,044	249,471
ECL provision	203,194	-	11,044	214,238

7 Income received in advance

	2025 \$
CURRENT	
Income received in advance	<u>439,509</u>

8 Property, plant and equipment

Furniture, fixture and fittings	
At cost	186,773
Accumulated depreciation	<u>(156,836)</u>
	<u>29,937</u>
Total property, plant and equipment	<u>29,937</u>

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

8 Property, plant and equipment

(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 period:

	Furniture, fixtures and fittings \$
Period ended 22 February 2025	
Balance at the beginning of period	36,186
Depreciation expense	(6,249)
Balance at the end of the period	<u>29,937</u>
9 Intangible Assets	2025
	\$
Intangible assets under development	
Cost	<u>473,369</u>
(a) Movements in carrying amounts of intangible assets	Computer software \$
Period ended 22 February 2025	
Balance at the beginning of the period	350,374
Additions	122,995
Balance at the end of the year	<u>473,369</u>

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

10 Trade and other payables

2025

\$

Trade payables	337,619
Payable to ABCWF	173,943
Other payables	64,680
	<u>576,242</u>

(a) Payables to other reporting entities:

CFMEU Construction & General - National office	191,487
CFMEU Construction & General Division - Victorian/Tasmanian Branch	521
	<u>192,008</u>

11 Employee benefits

CURRENT	
Annual leave	<u>163,619</u>
NON-CURRENT	
Long service leave	<u>53,820</u>

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

11 Employee benefits

(a) Total employee benefits attributable to:

	Note	2025 \$
Office Holders:		
Annual leave - current		-
Long service leave - current		-
Employees other than office holders:		
Annual leave - current		163,619
Long service leave - current		-
Long service leave - non-current		53,820
		<u>217,439</u>

12 Financial risk management

The main risks Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian 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:

Financial Assets		
Cash and cash equivalents	5	41,537
Trade and other receivables	6	35,233
Total financial assets		<u>76,770</u>
Financial Liabilities		
Trade and other payables		566,446
Total financial liabilities		<u>566,446</u>

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

12 Financial risk management

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.

Financial liability maturity analysis - Non-derivative

	Within 1 year 2025 \$	Total 2025 \$
Financial liabilities due for payment		
Trade and other payables	566,446	566,446

(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.

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

12 Financial risk management

Credit risk

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.

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

	2025
	\$
Amortised cost	
Interest revenue	<u><u>248</u></u>

13 Key Management Personnel Remuneration

No remuneration was paid to key management personnel of Construction, Forestry and Maritime Employees Union - Construction and General Division - South Australian Divisional Branch during the 6 month period ending 22 February 2025, as the entity is under administration, and the administrator is paid by the CFMEU Construction and General Division - National Office with reimbursements noted in the related related party disclosures.

14 Fair Value Measurement

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.

The Union has no assets or liabilities measured at fair value.

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

15 Contingencies

Contingent liabilities

There are continually numerous ongoing unsettled legal actions against the Union regarding industrial relations matters.

If at year end, a judgement has been awarded against the Union or a matter has been settled and the amount is unpaid, the Union accrues an expense for estimated costs and penalties in relation to the matter.

No provision is made for any settlement costs or penalties for ongoing unresolved matters where the outcome cannot be reliably determined as the Union intends to defend the claims.

16 Capital Commitments

As at 22 February 2025, an amount of \$122,995 (cumulative value of \$473,369) was incurred in the current year relating to the AS400 Modernisation Project. The branch has made a capital expenditure commitment to CFMEU C&G National Office for \$700,116 over the next 5 years. The project is a complete redevelopment of the membership database system. Branches from all states will also be contributing to this project.

17 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, 10 and 16.

Other miscellaneous transactions occurred with related parties, as follows:

	2025
	\$
(i) Income	
CFMEU Construction and General - National office - wage reimbursement	23,531

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

17 Related party transactions

2025

\$

(ii) Expenses

CFMEU Construction and General - National office

IT cost reimbursement	63,219
Administration charge levy	22,450

18 Cash flow information

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

Result for the period	(295,822)
Cash flows excluded from profit attributable to operating activities	
Non-cash flows in profit:	
- depreciation and amortisation	6,249
Changes in assets and liabilities:	
- (increase)/decrease in trade and other receivables	75,195
- increase/(decrease) in trade and other payables	29,160
- increase/(decrease) in provisions	9,812
Cashflow from operations	<u>(175,406)</u>

(b) Net cash flows from Reporting Units

Inflows

CFMEU Construction and General - National Office	46,243
ABCWF	20,874

(c) Net cash flows to Reporting Units

Outflows

CFMEU Construction and General - National Office	251,059
--	---------

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

19 Events after the end of the Reporting Period

Subsequent to period end, the Administrator performed a review of the AS400 project, recorded as an intangible asset in the respective branches' financial reports. As part of this review the Administrator decided to not proceed with the project. As a result of this decision, the intangible assets previously recognised will be impaired, with further costs expected to arise as a result of cancelling the project. No adjustment to intangible assets or related balances has been made in this financial report as it has been deemed a non-adjusting event after the reporting period.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial period 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.

20 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).

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Officer Declaration Statement

For the 6 month period ended 22 February 2025

I, Mark Irving KC, being the Administrator of the Construction Forestry and Maritime Employees Union, Construction & General Division – South Australian Divisional Branch, declare that the following activities did not occur during the reporting period ending 22 February 2025.

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 from another reporting unit
- ~~• receive any other revenue amount from another reporting unit~~
- receive revenue via compulsory levies
- receive donations
- receive 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
- ~~• have a payable with other reporting unit~~
- 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

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Officer Declaration Statement

For the Period Ended 22 February 2025

- 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



Mark Irving KC
Administrator

Dated: 24/07/2025

Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch

Report required under subsection 255(2A)

For the period ended 22 February 2025

The Administrator presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the period ended 22 February 2025.

	2025 \$
Remuneration and other employment-related costs and expenses - employees	773,566
Advertising	-
Operating Costs	840,642
Donations to political parties	-
Legal costs	1,430



Mark Irving KC
Administrator

Dated: 24/07/2025

COMPILATION REPORT TO CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION- CONSTRUCTION AND GENERAL DIVISION - SOUTH AUSTRALIAN DIVISIONAL BRANCH

We have compiled the accompanying general purpose financial statements of Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch, which comprise the balance sheet as at 22 February 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the 6 month period then ended, a summary of material accounting policies and other explanatory notes. These have been prepared in accordance with Australian Accounting Standards and the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

The Responsibility of the Administrator

The Administrator of Construction, Forestry and Maritime Employees Union- Construction and General Division - South Australian Divisional Branch is solely responsible for the information contained in the general purpose financial statements and the reliability, accuracy and completeness of the information.

Our Responsibility

On the basis of information provided by the Administrator we have compiled the accompanying general purpose financial statements in accordance with the financial reporting framework and APES 315 Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with Australian Accounting Standards and the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The general purpose financial statements were compiled for the benefit of the Administrator who is responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the general purpose financial statements.


Daley & Co
Chartered Accountants

Date: 30 July 2025
Liability limited by a scheme approved under Professional Standards Legislation

**Construction, Forestry and Maritime Employees Union - Construction and
General Division - Victorian/Tasmanian Divisional Branch**

Financial Statements

For the 6 month period ended 22 February 2025

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Financial Statements

For the 6 month period ended 22 February 2025

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Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Operating Report

For the 6 month period ended 22 February 2025

The Administrator presents their operating report of the Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch ("the Union") for the 6 month period ended 22 February 2025.

Names of Committee of Management members and period positions held during the financial year

On 23 August 2024 the Union was placed into Administration, and therefore, apart from the Administrator, there is no Committee of Management.

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

The principal activity of the CFMEU is that of a registered trade union in Australia reporting in accordance with the requirements of the Fair Work (Registered Organisations) Act 2009. The many benefits of membership come from Enterprise Bargaining Agreement ("EBA") negotiations for good wages and conditions. The CFMEU employs organisers to help members and provides access to services such as occupational health and safety representatives, training and legal advice. The results of the Union's principal activities are that members continue to have decent wages and conditions and access to services. The principal activities of the CFMEU have not changed during the reporting period.

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

The surplus for the Union for the period ended 22 February 2025 was \$3,917,122 and the Administrator believe that the activities of the Union have achieved their objectives for the financial period.

Significant changes in financial affairs

The significant changes in the state of affairs of the Union that occurred during the financial period was that on 23 August 2024 the Construction, Forestry and Maritime Employees Union, Construction and General Division and its branches were placed into Administration.

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*].

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Operating Report

For the 6 month period ended 22 February 2025

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 34,794 members of the Union as at 22 February 2025.

Number of employees

As at 22 February 2025 the Union had 120 full-time equivalent employees.

Signed in accordance with a resolution of the Administrator:



Mark Irving KC
Administrator

Dated: 24/07/2025

Melbourne

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Administrator Statement

22 February 2025

On 24 July 2025, the Administrator of the Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch ("the Union"), passed the following resolution in relation to the general purpose financial report for the period ended 22 February 2025:

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 Union for the financial period to which they relate;
- d) there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable; and
- e) during the financial period to which the general purpose financial report relates and since the end of that period:
 - i. meetings of the Committee of Management up to the point of Administration were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - ii. the financial affairs of the Union 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 Union 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 Union have been kept, as far as practicable, in a consistent manner with each or the other reporting units of the organisation; and
 - v. where information has been sought in any request by a member of the Union or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or 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.



Mark Irving IC
Administrator

Dated: 24/07/2025

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Statement of Profit or Loss and Other Comprehensive Income

For the 6 month period ended 22 February 2025

	Note	2025 \$
Revenue	3	24,846,887
Other income	3	3,034,745
		<u>27,881,632</u>
Employee benefits expense	4	(13,533,932)
Legal costs	4	(193,903)
Rates and land taxes		(881,773)
Printing costs		(373,545)
Lease expenses - finance cost	9	(6,363)
Conference expenses	4	(23,216)
Depreciation and amortisation expense		(1,140,722)
Consulting costs		(960,641)
Insurances		(698,491)
Motor vehicle expenses		(405,450)
Repairs and maintenance	4	(413,500)
Donations paid		(5,561)
Merchandise purchased		(325,032)
Publishing costs		(651,510)
Training expense		(198,401)
Room hire expense		(281,380)
Loss on disposal of assets		(249,019)
Capitation fees	4	(1,326,845)
Campaigns		(177,045)
Affiliations fees	4	(21,206)
Other expenses		(2,096,975)
		<u>(23,964,510)</u>
Result for the period		<u>3,917,122</u>
Other comprehensive income that will not be reclassified to profit or loss		
Other comprehensive income for the period		<u>320,345</u>
Total comprehensive income for the period		<u><u>4,237,467</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Balance Sheet

As at 22 February 2025

	Note	2025 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	5	16,528,374
Trade and other receivables	6	642,467
Inventories		174,312
Financial assets	7	17,380,723
Prepayments	8	1,187,861
TOTAL CURRENT ASSETS		<u>35,913,737</u>
NON-CURRENT ASSETS		
Right-of-use assets	9	172,213
Property, plant and equipment	10	95,887,377
Financial assets	7	12,326,089
Intangible assets	11	5,983,612
TOTAL NON-CURRENT ASSETS		<u>114,369,291</u>
TOTAL ASSETS		<u>150,283,028</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	12	696,713
Lease liabilities		166,736
Short-term provisions	13	1,634,340
Other financial liabilities	14	22,893,726
Employee benefits	15	11,446,896
TOTAL CURRENT LIABILITIES		<u>36,838,411</u>
NON-CURRENT LIABILITIES		
TOTAL NON-CURRENT LIABILITIES		<u>-</u>
TOTAL LIABILITIES		<u>36,838,411</u>
NET ASSETS		<u>113,444,617</u>
EQUITY		
Reserves		13,037,618
Retained earnings		100,406,999
TOTAL EQUITY		<u>113,444,617</u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Statement of Changes in Equity

For the 6 month period ended 22 February 2025

	Retained Earnings	Asset Realisation Reserve	Financial Assets Reserve	Total
	\$	\$	\$	\$
Balance at 22 August 2024	96,489,877	11,174,842	1,542,431	109,207,150
Result for the period	3,917,122	-	-	3,917,122
Changes in fair value equity investments at FVOCI	-	-	320,345	320,345
Balance at 22 February 2025	100,406,999	11,174,842	1,862,776	113,444,617

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Statement of Cash Flows

For the 6 month period ended 22 February 2025

	Note	2025 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and contributions		33,361,051
Interest received		1,017,684
Payments to suppliers and employees		(27,804,940)
Interest paid		<u>(6,363)</u>
Net cash provided by operating activities	21(a)	<u>6,567,432</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for plant and equipment		(13,975,297)
Payments for intangible assets		(893,428)
Payments for financial assets		<u>2,622,300</u>
Net cash used by investing activities		<u>(12,246,425)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of lease liability		<u>(87,261)</u>
Net cash used by financing activities		<u>(87,261)</u>
Net decrease in cash and cash equivalents held		(5,766,254)
Cash and cash equivalents at beginning of period		<u>22,294,628</u>
Cash and cash equivalents at end of the period	5	<u><u>16,528,374</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

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.

On 23 August 2024, the Union and its branches were placed into Administration. This financial report has been prepared to comply with the reporting requirements whilst being under Administration.

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.

Due to software limitations, accounting reports cannot be produced mid-month, therefore this financial report is for the period 1 September 2024 to 28 February 2025, which is expected to be materially consistent with the six months ended 22 February 2025.

(b) Comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

(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.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(c) Revenue and other income

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.

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.

Interest revenue

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

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(c) Revenue and other income

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.

(h) Financial instruments

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

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(h) Financial instruments

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 other comprehensive income ("FVTOCI").

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 other comprehensive income

The Union has a number of strategic investments in listed and unlisted entities over which they do not have significant influence or control. The Union has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(h) Financial instruments

Financial assets

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.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(h) Financial instruments

Financial assets

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).

(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.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(i) Leases

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.

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.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(i) Leases

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
Buildings	2.5%
Improvements	2.5 - 15%
Plant and Equipment	7.5 - 25%
Motor vehicles	18.75%
Furniture, fixtures and fittings	15 - 25%
Computer equipment	20 - 40%

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.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(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

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee entitlements consist of sick leave, annual leave, long service leave and severance pay which are accrued in line with employee agreements. Entitlements are unconditional and as such are recorded as current liabilities. Contributions are made by the Union to an employee superannuation fund and are charged as expenses when incurred.

(n) Adoption of new and revised accounting standards

The Union has adopted all standards which became effective for the first time during the period ended 22 February 2025. None of the new standards had a material impact on the reported financial position of performance.

(o) New accounting standards and Interpretations not yet adopted

Certain new accounting standards have been published that are not mandatory for 22 February 2025 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.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

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.

(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.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

3 Revenue and other income

	2025
	\$
Revenue	
- Membership subscriptions	18,105,568
- Grant income	<u>6,741,319</u>
	<u>24,846,887</u>
Other revenue	
- Interest received	1,017,684
- Investment income	123,765
- Director fee income	144,630
- Merchandise sales	341,526
- Training income	253,141
- Rental income	375,118
- EBA processing fee income	198,000
- Other income	<u>580,881</u>
	<u>3,034,745</u>

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	-
- Over time	<u>24,846,887</u>
Revenue from contracts with customers	<u><u>24,846,887</u></u>

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

4 Result for the period

The result for the period includes the following specific expenses

	2025
	\$
Repairs and maintenance	413,500
Employee benefits expense comprises:	
<i> Holders of office:</i>	
- Wages and salaries	-
- Superannuation	-
- Separation and redundancies	-
- Other employee expenses (Including payroll tax and FBT)	-
<i> Employees other than office holders:</i>	
- Wages and salaries	11,015,618
- Superannuation	1,219,042
- Separation and redundancies	-
- Other employee expenses (including payroll tax and FBT)	1,299,272
	<u>13,533,932</u>
Total employee benefits expense	<u>13,533,932</u>
Other expenses:	
Merchandise	325,032
Capitation fees paid to CFMEU - Construction and General Division - National Office	1,326,845
Levy paid to CFMEU - Construction and General Division - National Office	175,965
Affiliation fees:	
Australia Asia worker links	3,000
Ballarat trades hall	2,621
Bendigo trades hall council	609
Geelong trades hall council	6,580
Gippsland trades & labour council	6,177
Goulburn Valley trades & labour	750
North East & border trades & labour	735
South West trades & labour	734
	<u>21,206</u>

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

4 Result for the period

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

	2025 \$
Conference and meeting expenses	23,216
Donations paid	
Donations - greater than \$1,000	4,500
Donations - less than \$1,000	<u>1,061</u>
	5,561
Legal costs - litigation	122,531
Legal costs - other legal matters	<u>71,372</u>
	<u><u>193,903</u></u>
5 Cash and cash equivalents	
Cash at bank	16,522,414
Cash on hand	<u>5,960</u>
	<u><u>16,528,374</u></u>
6 Trade and other receivables	
CURRENT	
Trade receivables	250,608
Other receivables	189,249
GST receivable	<u>202,610</u>
	<u><u>642,467</u></u>

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

6 Trade and other receivables

(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 days past due. The loss allowance provision is determined as follows, with the expected credit losses incorporating forward looking information:

22 February 2025	Current	> 30 days overdue	> 90 days overdue	Total
<i>Expected loss rate (%)</i>	-	-	-	
Gross carrying amount (\$)	123,917	36	126,655	250,608
ECL provision	-	-	-	-

7 Financial assets

Financial assets at amortised cost

2025
\$

CURRENT

Financial assets at amortised cost

Term deposits

17,380,723

NON-CURRENT

Financial assets at fair value through other comprehensive income

Equity investments

12,326,089

Financial assets at amortised cost

Total

12,326,089

8 Prepayments

CURRENT

Prepayments

1,187,861

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

9 Leases

Union as a lessee

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

The Union has leases over office equipment, entered for 5 years at fixed monthly repayments.

Right-of-use assets

Movements in carrying value of right-of-use assets

	Office Equipment \$
Balance at beginning of year	258,319
Depreciation charge	<u>(86,106)</u>
Balance at 22 February 2025	<u><u>172,213</u></u>

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year \$	1 - 5 years \$	Total undiscounted lease liabilities \$	Lease liabilities included in the Balance Sheet \$
2025				
Lease liabilities	<u>171,644</u>	-	<u>171,644</u>	<u>166,736</u>

Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Union is a lessee are shown below:

	2025 \$
Depreciation of right-of-use assets	(86,106)
Interest on lease liability	<u>(6,363)</u>
	<u><u>(92,469)</u></u>

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

9 Leases

Statement of Cash Flows

	2025
	\$
Total cash outflow for leases	<u>93,624</u>

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

10 Property, plant and equipment

	2025 \$
Land	
At fair value	<u>33,775,445</u>
Buildings	
At fair value	58,118,581
Accumulated depreciation	<u>(2,809,495)</u>
Total land & buildings	<u>55,309,086</u>
Total land and buildings	<u>89,084,531</u>
Plant and equipment	
At cost	1,095,533
Accumulated depreciation	<u>(472,690)</u>
Total plant and equipment	<u>622,843</u>
Furniture, fixture and fittings	
At cost	781,715
Accumulated depreciation	<u>(311,884)</u>
	<u>469,831</u>
Motor vehicles	
At cost	4,215,560
Accumulated depreciation	<u>(1,358,865)</u>
	<u>2,856,695</u>
Computer equipment	
At cost	2,079,349
Accumulated depreciation	<u>(759,319)</u>
Total computer equipment	<u>1,320,030</u>
Training equipment	
At cost	6,289,510
Accumulated depreciation	<u>(4,756,063)</u>
Total training equipment	<u>1,533,447</u>
Total property, plant and equipment	<u><u>95,887,377</u></u>

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

10 Property, plant and equipment

(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 period:

	Land	Buildings	Plant and Equipment	Furniture, fixtures and fittings	Motor vehicles	Computer equipment	Training equipment	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Period ended 22 February 2025								
Balance at the beginning of period	33,289,463	44,546,908	670,491	398,713	2,881,408	661,608	940,188	83,388,779
Additions	485,982	11,203,258	7,581	100,785	695,798	732,866	749,027	13,975,297
Disposals - written down value	-	-	-	-	(422,082)	-	-	(422,082)
Depreciation expense	-	(441,080)	(55,229)	(29,667)	(298,429)	(74,444)	(155,768)	(1,054,617)
Balance at the end of the period	33,775,445	55,309,086	622,843	469,831	2,856,695	1,320,030	1,533,447	95,887,377

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

10 Property, plant and equipment

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

The revaluations of land and buildings were based on the assessment of their current market value, subject to vacant possession. The independent revaluations were carried out by Sutherland Farrelly and Knight Frank. The effective date of the latest revaluation was November 2021. The valuations were made in accordance with a regular policy of obtaining independent valuation of land and buildings a maximum of every three years or as required ensuring that requirements of accounting standards regarding fair value basis of valuation are met. Refer to Note 17 for further details.

From Apr 2024 – Feb 2025, the union incurred \$17,801,659 expenses for the health and wellness centre. This is a sum of building construction costs and various consultancy fees relating to the construction of the Health and Wellness Centre. The union has contractual construction commitments for the completion of the health and wellness centre of \$28,700,000.

11 Intangible Assets

	2025 \$
Intangible assets under development	
Intangible assets under development	<u>5,983,612</u>

(a) Movements in carrying amounts of intangible assets

	Computer software \$
Period ended 22 February 2025	
Balance at the beginning of the year	5,090,185
Additions	<u>893,427</u>
Balance at the end of the year	<u>5,983,612</u>

At 22 February 2025, the branch has made a capital expenditure commitment to CFMEU C&G National Office for \$10,171,180 (total cost for branch). The AS400 Modernisation Project is a complete redevelopment of the membership database system which will take up to 5 years to complete. During the period, the branch has paid \$893,427 to the CFMEU C&G National Office towards the AS400 Modernisation Project. The intangible asset recognised for this project is in relation to development costs incurred of the membership database system which have been capitalised and recognised as an intangible asset. Once the new membership database system is complete and in use, it will be amortised on a straight-line basis over the period of expected benefit. No amortisation has been recognised in the period ended 22 February 2025 on the basis that the membership system was not ready for use at period end.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

12 Trade and other payables

2025

\$

Trade payables	478,617
Other payables	<u>218,096</u>
	<u><u>696,713</u></u>

(a) Payables to other reporting entities:

CFMEU Construction & General - National office	<u><u>6,319</u></u>
--	---------------------

(b) Legal fees payables

Legal fees - litigation	31,240
Legal fees - other	<u>8,257</u>
	<u><u>39,497</u></u>

13 Short-term provisions

CURRENT	
Provision for legal costs	<u><u>1,634,340</u></u>

(a) Legal cost provisions

Litigation	<u><u>1,634,340</u></u>
------------	-------------------------

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

14 Other Financial Liabilities

2025

\$

CURRENT

Amounts received in advance	22,893,726
-----------------------------	------------

15 Employee benefits

CURRENT

Annual leave	2,718,282
--------------	-----------

Long service leave	2,940,008
--------------------	-----------

Separation and redundancies	5,235,460
-----------------------------	-----------

Other	553,146
-------	---------

	11,446,896
--	------------

(a) Total employee benefits attributable to:

Office Holders:

Annual leave - current	-
------------------------	---

Long service leave - current	-
------------------------------	---

Other - current	-
-----------------	---

	-
--	---

Employees other than office holders:

Annual leave - current	2,718,282
------------------------	-----------

Long service leave - current	2,940,008
------------------------------	-----------

Separation and redundancies	5,235,460
-----------------------------	-----------

Other - current	553,146
-----------------	---------

	11,446,896
--	------------

Total employee benefits	11,446,896
--------------------------------	-------------------

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

16 Financial risk management

The main risks Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian 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	2025 \$
Financial Assets		
Cash and cash equivalents	5	16,528,374
Trade and other receivables		480,260
Financial assets at amortised costs		
Term deposits	7	17,830,723
Financial assets - through OCI		
Equity investments	7	12,326,089
Total financial assets		<u>47,165,446</u>
Financial Liabilities		
Trade and other payables	12	696,712
Lease liability	9	166,736
Total financial liabilities		<u>863,448</u>

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.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

16 Financial risk management

Financial liability maturity analysis - Non-derivative

(i) Other price risk

At reporting date, if the Australian Stock Exchange index had increased/decreased by 1.00% with all other variables held constant and all of the Union's equity instruments moved according to the historical correlation with the index, the impact on profit and equity is shown in the table below:

	2025	
	+1.00%	-1.00%
ASX Index		
Impact on OCI	123,261	(123,261)
Interest rate risk		
Impact on profit	339,031	(339,031)

(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.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

16 Financial risk management

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

	2025
	\$
Amortised cost	
Interest revenue	1,017,684
Fair value through other comprehensive income	
Gain recognised in OCI	320,345
Net distribution income	123,765

17 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch during the period are as follows:

Short-term employee benefits	
Salary	13,272
Post-employment benefits	
Superannuation	5,794
Other long-term benefits	
Termination benefits	<u>31,781</u>
	<u><u>50,847</u></u>

No other remuneration was paid to key management personnel of CFMEU - Construction and General Division Victorian/Tasmanian Divisional Branch during the 6 month period ending 22 February 2025, as the entity is under administration, and the administrator is paid by the CFMEU Construction and General Division - National Office with reimbursements noted in the related related party disclosures.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

18 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.

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
2025	\$	\$	\$	\$
Recurring fair value measurements				
Financial assets				
Listed Shares	12,326,089	-	-	12,326,089
Property, plant and equipment				
Land and buildings (refer note 10)	-	-	89,084,531	89,084,531

19 Contingencies

Contingent liabilities

Other than the commitments disclosed within Intangible assets (refer note 11) and Property, Plant and Equipment (refer note 10), there were no further commitments and contingencies at the date of this report.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

20 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 17: Key Management Personnel Remuneration.

(b) Transactions with related parties

Key operating transactions and/or balances with related parties are disclosed at notes 3, 4, 6, 11, and 12.

Other miscellaneous transactions occurred with related parties, as follows:

	2025
	\$
<i>(i) Income</i>	
CFMEU Construction and General - National office	
Office related costs	80,170
Wage reimbursement	23,576
CFMEU Construction and General - South Australian branch	
Travel costs reimbursements	521
<i>(ii) Expenses</i>	
CFMEU Construction and General - National office	
IT cost reimbursement	306,915
Wage reimbursement	32,484
Administration charge levy	299,326
CFMEU Construction and General - Australian Capital Territory Branch	
Travel reimbursements	11,472
CFMEU - Manufacturing Division	
Membership transfer	88,525

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

21 Cash flow information

(a) Reconciliation of result for the period to cashflows from operating activities	2025
	\$
Result for the period	3,917,122
Cash flows excluded from profit attributable to operating activities	
Non-cash flows in profit:	
- depreciation and amortisation	1,140,723
- loss on disposal of plant and equipment	422,082
Changes in assets and liabilities:	
- (increase)/decrease in trade and other receivables	10,708
- (increase)/decrease in prepayments	(279,792)
- (increase)/decrease in income in advance	3,800,000
- increase/(decrease) in trade payables	(2,443,411)
Cashflow from operations	<u>6,567,432</u>
 (b) Net cash flows from Reporting Units	
Inflows	
CFMEU C&G National Office	95,790
CFMEU C&G NSW Branch	784
 (c) Net cash flows to Reporting Units	
Outflows	
CFMEU C&G National Office	3,333,050
CFMEU C&G ACT Branch	11,472
CFMEU - Manufacturing Division	88,525

22 Events after the end of the Reporting Period

Subsequent to period end, the Administrator performed a review of the AS400 project, recorded as an intangible asset in the respective branches' financial reports. As part of this review the Administrator decided to not proceed with the project. As a result of this decision, the intangible assets previously recognised will be impaired, with further costs expected to arise as a result of cancelling the project. No adjustment to intangible assets or related balances has been made in this financial report as it has been deemed a non-adjusting event after the reporting period.

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

22 Events after the end of the Reporting Period

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial period 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.

23 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).

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Administrator Declaration Statement

For the 6 month period ended 22 February 2025

I, Mark Irving KC, being the Administrator of the Construction, Forestry and Maritime Employees Union – Construction & General Division – Victorian/Tasmanian Divisional Branch, declare that the following activities did not occur during the reporting period ending 22 February 2025.

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 from another reporting unit
- ~~receive any other revenue amount from another reporting unit~~
- receive revenue via compulsory levies
- receive donations
- ~~receive 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~~
- ~~have a payable with other reporting unit~~
- 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~~

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Administrator Declaration Statement

For the Period Ended 22 February 2025

- ~~• 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 a 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



Mark Irving KC
Administrator

Dated: 24/07/2025

Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch

Report required under subsection 255(2A)

For the period ended 22 February 2025

The Administrator presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the period ended 22 February 2025.

	2025 \$
Remuneration and other employment-related costs and expenses - employees	13,533,932
Advertising	4,680
Operating Costs	8,745,079
Donations to political parties	-
Legal costs	193,903



Mark Irving KC
Administrator

Dated: 24/07/2025

COMPILATION REPORT TO CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION - CONSTRUCTION AND GENERAL DIVISION - VICTORIAN/TASMANIAN DIVISIONAL BRANCH

We have compiled the accompanying general purpose financial statements of Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch, which comprise the balance sheet as at 22 February 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the 6 month period then ended, a summary of material accounting policies and other explanatory notes. These have been prepared in accordance with Australian Accounting Standards and the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

The Responsibility of the Administrator

The Administrator of Construction, Forestry and Maritime Employees Union - Construction and General Division - Victorian/Tasmanian Divisional Branch is solely responsible for the information contained in the general purpose financial statements and the reliability, accuracy and completeness of the information.

Our Responsibility

On the basis of information provided by the Administrator we have compiled the accompanying general purpose financial statements in accordance with the financial reporting framework and APES 315 Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with Australian Accounting Standards and the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The general purpose financial statements were compiled for the benefit of the Administrator who is responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the general purpose financial statements.



Daley & Co

Chartered Accountants

Date: 30 July 2025

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Professional Standards
Legislation.



CHARTERED ACCOUNTANTS
AUSTRALIA • NEW ZEALAND

**Construction, Forestry and Maritime Employees Union, Construction &
General Division - Western Australia Branch**

Financial Statements

For the 6 month period ended 22 February 2025

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Financial Statements

For the 6 month period ended 22 February 2025

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Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Operating Report

For the 6 month period ended 22 February 2025

The Administrator presents their operating report of the Construction, Forestry and Maritime Employees Union, Construction & General Division - Western Australia Branch ("the Union") for the 6 month period ended 22 February 2025.

Names of Committee of Management members and period positions held during the financial year

On 23 August 2024 the Union was placed into Administration, and therefore, apart from the Administrator, there is no Committee of Management.

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 Construction, Forestry and Maritime Employees Union, Construction & General Division - Western Australia Branch during the financial year were:

- Recruiting organising and advocating for workers in the Construction industry
- Promoting the interests of, and protecting the safety of members
- Negotiating and enforcing collective agreements
- Providing advice and representing members in Industrial Courts and Workcover

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

The Administrator believes that they have furthered the interests of their members throughout the period through the conducting of the Union's principal activities.

The surplus for the Union for the period ended 22 February 2025 was \$777,274 and the Administrator believes that the activities of the Union have achieved their objectives for the financial period.

Construction, Forestry and Maritime Employees Union

Construction & General Division - WA Branch

Operating Report

For the 6 month period ended 22 February 2025

Significant changes in financial affairs

The following significant changes in the state of affairs of the Union occurred during the financial period:

(i) On 23 August 2024 the Construction, Forestry and Maritime Employees Union - Construction and General Division - National Office and its branches were placed into Administration.

Right of members to resign

A member may resign from the membership of the Union by a written notice addressed and delivered to the Divisional Branch Secretary or other officer of the Divisional Branch authorised to receive such correspondence.

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

To the best of my knowledge, 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 6,505 members of the Union as at 22 February 2025.

Number of employees

As at 22 February 2025 the Union had 23 full-time equivalent employees.

Signed in accordance with a resolution of the Administrator:



Mark Irving KC
Administrator

Dated: 24/07/2025

Melbourne

Construction, Forestry and Maritime Employees Union Construction & General Division - WA Branch

Administrator Statement

22 February 2025

On 24 July 2025, the Administrator of the Construction, Forestry and Maritime Employees Union Construction and General Division - WA Branch ("the Union"), passed the following resolution in relation to the general purpose financial report for the period ended 22 February 2025:

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 Union for the financial period to which they relate;
- d) there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable; and
- e) during the financial period to which the general purpose financial report relates and since the end of that period:
 - i. meetings of the Committee of Management up until point of Administration were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - ii. the financial affairs of the Union 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 Union 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 Union have been kept, as far as practicable, in a consistent manner with each or the other reporting units of the organisation; and
 - v. where information has been sought in any request by a member of the Union or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or 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.



Mark Irving KC
Administrator

Dated: 24/07/2025

**Construction, Forestry and Maritime Employees Union
Construction & General Division - Western Australia Branch**

Statement of Profit or Loss and Other Comprehensive Income

For the 6 month period ended 22 February 2025

	Note	2025 \$
Revenue	3	3,490,369
Other income	3	156,942
		<u>3,647,311</u>
Employee benefits expense	4	(1,675,889)
Capitation fees	4	(259,193)
Legal costs	4	(229,095)
Motor vehicle expenses		(73,437)
Depreciation expense	9(a)	(60,944)
Travel and accommodation costs		(60,009)
Advertising and promotion expenses		(88,573)
Insurance expenses		(38,265)
Campaign expenses		(26,519)
Merchandise		(24,789)
IT costs		(19,535)
Property expenses		(38,887)
Affiliation fees	4	(28,534)
Other expenses		(246,368)
		<u>(2,870,037)</u>
Result for the period		<u>777,274</u>
Other comprehensive income for the period		-
Total comprehensive income for the period		<u><u>777,274</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union
Construction & General Division - Western Australia Branch

Balance Sheet

As at 22 February 2025

	Note	2025 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	5	4,661,561
Trade and other receivables	6	178,387
Other financial assets	7	<u>2,265,852</u>
TOTAL CURRENT ASSETS		<u>7,105,800</u>
NON-CURRENT ASSETS		
Property, plant and equipment	9	604,855
Intangible assets	11	1,283,067
Investment properties	10	<u>675,000</u>
TOTAL NON-CURRENT ASSETS		<u>2,562,922</u>
TOTAL ASSETS		<u>9,668,722</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	12	2,753,348
Employee benefits	13	<u>824,797</u>
TOTAL CURRENT LIABILITIES		<u>3,578,145</u>
NON-CURRENT LIABILITIES		
Employee benefits	13	<u>130,899</u>
TOTAL NON-CURRENT LIABILITIES		<u>130,899</u>
TOTAL LIABILITIES		<u>3,709,044</u>
NET ASSETS		<u><u>5,959,678</u></u>
EQUITY		
Retained earnings		<u>5,959,678</u>
TOTAL EQUITY		<u><u>5,959,678</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

**Construction, Forestry and Maritime Employees Union
Construction & General Division - Western Australia Branch**

Statement of Changes in Equity

For the 6 month period ended 22 February 2025

	Retained Earnings	Total
	\$	\$
Balance at 22 August 2024	5,182,404	5,182,404
Result for the period	<u>777,274</u>	<u>777,274</u>
Balance at 22 February 2025	<u>5,959,678</u>	<u>5,959,678</u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

**Construction, Forestry and Maritime Employees Union
Construction & General Division - Western Australia Branch**

Statement of Cash Flows

For the 6 month period ended 22 February 2025

	Note	2025 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and contributions		3,985,893
Payments to suppliers and employees		(2,926,199)
Interest received		11,760
Net cash provided by operating activities	21(a)	<u>1,071,454</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment		(168,390)
Payment for intangible assets		(333,378)
Net cash used by investing activities		<u>(501,768)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash used by financing activities		<u>-</u>
Net increase/(decrease) in cash and cash equivalents held		569,686
Cash and cash equivalents at beginning of period		<u>4,091,875</u>
Cash and cash equivalents at end of the period	5	<u><u>4,661,561</u></u>

The accompanying notes form part of these financial statements.

Compiled without audit or review.

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

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.

On 23 August 2024, the Union and its branches were placed into Administration. This financial report has been prepared to comply with the reporting requirements whilst being under Administration.

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) Comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

(c) Principles of consolidation

(d) 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.

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(d) Revenue and other income

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.

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.

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(d) Revenue and other income

Interest revenue

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

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.

Capitation fees

The Union's arrangement with branches or other reporting units meet the criteria to be a contract with a customer. Accordingly, the Union recognises the capitation fees promised under that arrangement when or as it transfers the services.

In circumstances where the criteria for a contract with a customer are not met, the Union will recognise capitation fees as income upon receipt as specified in the

Other income

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

(e) 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.

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(f) 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).

(g) 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.

(h) 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.

(i) 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.

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(i) Financial instruments

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.

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.

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(i) Financial instruments

Financial assets

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.

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.

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(i) Financial instruments

Financial assets

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).

(j) 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.

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(j) Leases

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.

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.

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(k) 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.

(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.

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(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.

(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.

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

1 Material Accounting Policy Information

(n) 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.

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 cash flows reported at note 20. Additionally, any amounts outstanding as at balance date between related parties have been disclosed at notes 6 or 12.

(o) Adoption of new and revised accounting standards

The Union has adopted all standards which became effective for the first time during the year ended 22 February 2025. None of the new standards had a material impact on the reported financial position of performance.

(p) New accounting standards and Interpretations not yet adopted

Certain new accounting standards have been published that are not mandatory for 22 February 2025 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.

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

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.

(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.

Construction, Forestry and Maritime Employees Union
Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

3 Revenue and other income

	2025 \$
Revenue from contracts with customers	
- Membership fees	3,203,798
- Levy income	276,964
- Product sales	9,608
Total revenue from contracts with customers	<u><u>3,490,370</u></u>
Other revenue	
- Rental income	25,802
- Sponsorship income	13,000
- Interest income	11,760
- Investment income	53,779
- Sundry income	52,601
Total other revenue	<u><u>156,942</u></u>

Refer to note 1(n) 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	3,480,762
- Over time	9,608
Revenue from contracts with customers	<u><u>3,490,370</u></u>

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

4 Result for the period

The result for the period includes the following specific expenses

	2025
	\$
Employee benefits expense comprises:	
<i>Employees other than office holders:</i>	
- Wages and salaries	1,385,558
- Superannuation	160,187
- Separation and redundancies	34,591
- Other employee expenses (including payroll tax and FBT)	95,553
Total employee benefits expense	<u><u>1,675,889</u></u>

Other expenses:

Capitation fees paid to CFMEU National Office	259,193
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Affiliation fees:

UnionsWA	28,534
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Campaign expenses	26,519
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Legal costs - other legal matters	229,095
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Refer to note 1(n) to further commentary in relation to the consistency of transactions and balances between reporting units.

5 Cash and cash equivalents

Cash on hand	<u><u>4,661,561</u></u>
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Construction, Forestry and Maritime Employees Union
Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

6 Trade and other receivables

	Note	2025 \$
CURRENT		
Trade receivables		172,649
Less: Allowance for unexpected credit losses	6(a)	-
Other receivables		<u>5,738</u>
		<u><u>178,387</u></u>

(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 days past due. The loss allowance provision is determined with the expected credit losses incorporating forward looking information

22 February 2025	Current	> 30 days overdue	> 90 days overdue	Total
<i>Expected loss rate (%)</i>	-	-	-	
Gross carrying amount (\$)	<u>82,449</u>	<u>45,100</u>	<u>45,100</u>	<u>172,649</u>
ECL provision	-	-	-	-

7 Financial assets

	2025 \$
Financial assets at amortised cost	
Term deposits	1,000,000
Financial assets at fair value through profit or loss	
Equity securities - designated at fair value through Profit or Loss	<u>1,265,852</u>
	<u><u>2,265,852</u></u>

**Construction, Forestry and Maritime Employees Union
Construction & General Division - Western Australia Branch**

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

8 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 several leases over buildings which are on a month-to-month basis and therefore have been classified as short term leases.

Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Union is a lessee are shown below:

	2025
	\$
Expenses relating to short-term leases	<u>12,363</u>

Statement of Cash Flows

Total cash outflow for leases	<u>12,363</u>
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**Construction, Forestry and Maritime Employees Union
Construction & General Division - Western Australia Branch**

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

9 Property, plant and equipment

	2025
	Note
	\$
Plant and equipment	
At cost	114,990
Accumulated depreciation	<u>(22,159)</u>
	<u>92,831</u>
Motor vehicles	
At cost	687,645
Accumulated depreciation	<u>(175,621)</u>
	<u>512,024</u>
Total property, plant and equipment	<u><u>604,855</u></u>

**Construction, Forestry and Maritime Employees Union
Construction & General Division - Western Australia Branch**

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

9 Property, plant and equipment

(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 period:

	Plant and Equipment \$	Motor vehicles \$	Total \$
Period ended 22 February 2025			
Balance at the beginning of period	103,196	412,721	515,917
Additions	2,886	165,504	168,390
Disposals - written down value	-	(18,508)	(18,508)
Depreciation expense	(13,251)	(47,693)	(60,944)
Balance at the end of the period	92,831	512,024	604,855

10 Investment Properties

2025

\$

At fair value

Owned Property

Balance at beginning of period

675,000

Balance at end of period

675,000

(a) Valuation basis

The basis of valuation of investment property is fair value. Fair values are based on market values, being the price that would be received to sell an asset in an orderly transaction between market participants. The value adopted is consistent with 31 March 2024, which was based on an assessment of the Committee of Management and Executive of the property market value. The methodology used of the assessment of the property value incorporated a property appraisal performed as at 31 March 2024, as well as consideration of other current relevant factors and market conditions.

**Construction, Forestry and Maritime Employees Union
Construction & General Division - Western Australia Branch**

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

11 Intangible Assets

	2025
	\$
Note	
Computer software	
At cost	<u><u>1,283,067</u></u>

(a) Movements in carrying amounts of intangible assets

	Computer software \$
Period ended 22 February 2025	
Balance at the beginning of the period	949,689
Additions	<u>333,378</u>
Balance at the end of the period	<u><u>1,283,067</u></u>

12 Trade and other payables

	2025
	\$
Trade payables	261,049
Income in advance	2,275,780
GST payable	129,278
Other payables	<u>87,241</u>
	<u><u>2,753,348</u></u>

(a) Payables to other reporting entities:

CFMEU Construction & General - National Office	<u><u>205,560</u></u>
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Refer to note 1(n) to further commentary in relation to the consistency of transactions and balances between reporting units.

**Construction, Forestry and Maritime Employees Union
Construction & General Division - Western Australia Branch**

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

12 Trade and other payables

(b) Legal fees payables

	2025 \$
Legal fees - litigation	-
Legal fees - other	35,681
	<u>35,681</u>

13 Employee benefits

CURRENT

Annual leave	356,451
Long service leave	409,249
Provision for retirement	59,097
	<u>824,797</u>

NON-CURRENT

Long service leave	<u>130,899</u>
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(a) Total employee benefits attributable to:

Employees other than office holders:

Annual leave	356,451
Long service leave	540,148
Separation and redundancies	59,097
	<u>955,696</u>

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

14 Financial risk management

The main risks Construction, Forestry and Maritime Employees Union, Construction & General Division - Western Australia 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	2025 \$
Financial Assets		
Cash and cash equivalents	5	4,661,561
Trade and other receivables	6	178,385
Financial assets at FVTPL	7	1,265,852
Financial assets at amortised cost	7	1,000,000
Total financial assets		<u><u>7,105,798</u></u>
Financial Liabilities		
Trade and other payables	12	477,568
Total financial liabilities		<u><u>477,568</u></u>

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.

Financial liability maturity analysis - Non-derivative

	Within 1 year 2025 \$	Total 2025 \$
Financial liabilities due for payment		
Trade and other payables	477,568	477,568
	<u><u>477,568</u></u>	<u><u>477,568</u></u>

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

14 Financial risk management

(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.

At reporting date, if the Australian Stock Exchange index had increased/decreased by 10.00% with all other variables held constant and all of the Union's equity instruments moved according to the historical correlation with the index, the impact on profit and equity is shown in the table below:

	2025	
	+10.00%	-10.00%
ASX Index		
Impact on profit	<u>126,585</u>	<u>(126,585)</u>

(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.

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

14 Financial risk management

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

	2025
	\$
Amortised cost	
Interest revenue	11,760
Fair value through profit or loss	
Gain recognised in profit or loss	15,640
Dividends and distribution income	53,779

15 Key Management Personnel Remuneration

No remuneration was paid to key management personnel of CFMEU - Construction and General Division WAI Branch during the 6 month period ending 22 February 2025, as the entity is under administration, and the administrator is paid by the CFMEU Construction and General Division - National Office with reimbursements noted in the related related party disclosures.

16 Auditor's remuneration

No audit has been performed for the period ended 22 February 2025.

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

17 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.

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
2025	\$	\$	\$	\$
Recurring fair value measurements				
Financial assets				
Listed Shares	1,265,852	-	-	1,265,852
Non-financial assets				
Investment property	-	675,000	-	675,000

18 Contingencies

Contingent liabilities

Given the principal activities of the Union, the Union is routinely subject to legal actions against it regarding industrial relations matters in serving its membership. As at the date of this report, there are no such matters in place which would require disclosure as a contingent liability. As at balance date, there are no such known matters and any relevant costs have been appropriately accrued and disclosed.

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

19 Capital Commitments

At 22 February 2025, the branch has made a capital expenditure commitment to CFMEU C&G National Office for \$1,283,067 (total cost for branch). The AS400 Modernisation Project is a complete redevelopment of the membership database system which will take up to 5 years to complete. During the period, the branch has paid \$333,378 to the CFMEU C&G National Office towards the AS400 Modernisation Project. The intangible asset recognised for this project is in relation to development costs incurred of the membership database system which have been capitalised and recognised as an intangible asset. Once the new membership database system is complete and in use, it will be amortised on a straight-line basis over the period of expected benefit. No amortisation has been recognised in the period ended 22 February 2025 on the basis that the membership system was not ready for use at period end.

20 Related party transactions

(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 15: Key Management Personnel Remuneration.

(b) Transactions with related parties

Key operating transactions and/or balances with related parties are disclosed at notes 4, 6, 11, 12 and 19.

Other miscellaneous transactions occurred with related parties, as follows:

(ii) Expenses

CFMEU C&G National Office - IT cost reimbursement	34,257
CFMEU C&G National Office - Administration charge levy	57,334
Construction Skills Training Centre - training expense	9,119

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

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

21 Cash flow information

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

	2025
	\$
Result for the period	777,274
Cash flows excluded from profit attributable to operating activities	
Non-cash flows in profit:	
- depreciation and amortisation	60,944
- loss on disposal of plant and equipment	18,508
Changes in assets and liabilities:	
- (increase)/decrease in trade and other receivables (net of provision)	(13,214)
- increase/(decrease) in trade payables and other liabilities	291,496
- increase/(decrease) in provisions	(63,554)
Cashflow from operations	<u>1,071,454</u>

(b) Net cash flows to Reporting Units

Outflows

CFMEU C&G National Office	511,704
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Refer to note 1(n) to further commentary in relation to the consistency of transactions and balances between reporting units.

22 Events after the end of the Reporting Period

Subsequent to period end, the Administrator performed a review of the AS400 project, recorded as an intangible asset in the respective branches' financial reports. As part of this review the Administrator decided to not proceed with the project. As a result of this decision, the intangible assets previously recognised will be impaired, with further costs expected to arise as a result of cancelling the project. No adjustment to intangible assets or related balances has been made in this financial report as it has been deemed a non-adjusting event after the reporting period.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial period 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.

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Notes to the Financial Statements

For the 6 month period ended 22 February 2025

23 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).

Construction, Forestry and Maritime Employees Union

Construction & General Division - Western Australia Branch

Administrator Declaration Statement

For the 6 month period ended 22 February 2025

I, Mark Irving KC, being the Administrator of the Construction, Forestry and Maritime Employees Union, Construction & General Division - WA Branch, declare that the following activities did not occur during the reporting period ending 22 February 2025.

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 from another reporting unit
- receive any other revenue amount from another reporting unit
- receive revenue via compulsory levies
- receive donations
- receive 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~~
- have a payable with other reporting unit
- 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

Construction, Forestry and Maritime Employees Union Construction & General Division - WA Branch

Administrator Declaration Statement

For the 6 month period ended 22 February 2025

- 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 a 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



Mark Irving KC
Adminstrator

Dated: 24/07/2025

Construction, Forestry and Maritime Employees Union
Construction & General Division - WA Branch

Report required under subsection 255(2A)

For the 6 month period ended 22 February 2025

The Administrator presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the period ended 22 February 2025.

	2025 \$
Remuneration and other employment-related costs and expenses - employees	1,675,889
Advertising	-
Operating Costs	904,109
Donations to political parties	-
Legal costs	229,095



Mark Irving KC
Administrator

Dated: 24/07/2025

COMPILATION REPORT TO CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION, CONSTRUCTION & GENERAL DIVISION - WESTERN AUSTRALIA BRANCH

We have compiled the accompanying general purpose financial statements of Construction, Forestry and Maritime Employees Union, Construction & General Division - Western Australia Branch, which comprise the balance sheet as at 22 February 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the 6 month period then ended, a summary of material accounting policies and other explanatory notes. These have been prepared in accordance with Australian Accounting Standards and the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

The Responsibility of the Administrator

The Administrator of Construction, Forestry and Maritime Employees Union, Construction & General Division - Western Australia Branch is solely responsible for the information contained in the general purpose financial statements and the reliability, accuracy and completeness of the information.

Our Responsibility

On the basis of information provided by the Administrator we have compiled the accompanying general purpose financial statements in accordance with the financial reporting framework and APES 315 Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with Australian Accounting Standards and the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The general purpose financial statements were compiled for the benefit of the Administrator who is responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the general purpose financial statements.


Daley & Co
Chartered Accountants

Date: *30 July 2025*
Liability limited by a scheme approved under Professional Standards Legislation