

PART SIX:

FINANCIAL PERFORMANCE

SCOPE OF THE FINANCIAL STATEMENTS

The financial statements for the year ended 31 December 2024 presented to the University Council have been prepared on a consolidated basis and include the results for the University of Newcastle and its controlled entities, which include:

- The University of Newcastle Research Associates Ltd (TUNRA)
- Newcastle Australia Institute of Higher Education Pte Ltd
- NUservices Pty Ltd
- Newcastle University Sport

CONSOLIDATED OPERATING RESULT

The operating result for the Consolidated Group for 2024 is a surplus of \$61.3M. The Consolidated Group operating result reflects ongoing efforts by the University to strive for financial sustainability while operating within a sector that continues to experience financial challenges, particularly in recovering costs of delivering its core operations of teaching and internally funded research.

KEY HIGHLIGHTS:

- **Growth in revenue of \$103.5M** for 2024, due to increases in Australian Government funding, domestic fee-paying student fees and further growth in international student fees.
- **Investment income of \$57.3M** reflecting strong investment market returns across 2024. The University has worked to maximise its financial investments to support its capital, operational and philanthropic requirements.
- **Continued operating surpluses from controlled entities totalling \$3.2M** following accounting for intercompany transactions.

ADJUSTED OPERATING RESULT

The University's adjusted operating result for 2024 shows a deficit of \$16.3M. The adjusted operating result provides a clearer picture of the University's financial performance by focusing on its core activities, including teaching and internally funded research. It excludes non-core activities or one-time events such as philanthropic donations, research grants and other restricted income (\$20.9M), as well as commercial income (\$4.5M) and investment income (\$49.1M).

While the 2024 adjusted operating result represents a significant improvement on the 2023 adjusted operating deficit of \$49.3M, it highlights the ongoing challenge the University faces in delivering teaching and internal research activities, sustainably. The University continues to work to deliver efficiencies in these areas, to return its core activities to a surplus position. This will help ensure continued investment in the physical and digital infrastructure needed to support students, staff and the community into the future.

University result		
Total revenue and income	840.5	944.0
Employee costs	-472.1	-494.3
Other expenses	-372.7	-391.5
Net result	-4.3	58.2
Funds restricted for specific purposes	-18.8	-20.9
Non-core operating		
Investment (non-philanthropic)	-20.1	-49.1
Commercial operations	-6.1	-4.5
Adjusted operating result	-49.3	-16.3

UNIVERSITY INCOME ANALYSIS

University income for 2024 totalled \$944.0M, an increase of 12% compared to the prior year (\$840.5M).

Total Student Fees and Charges were \$644.9M, an increase of 10% on 2023 (\$585.8M). Domestic student revenue grew 15% for 2024, helped by inflation-linked increases to Higher Education Loan Program (HELP) funding. International student revenue grew 6% with total revenue passing \$128.0M. International student income was partially offset by increases in scholarships for international students.

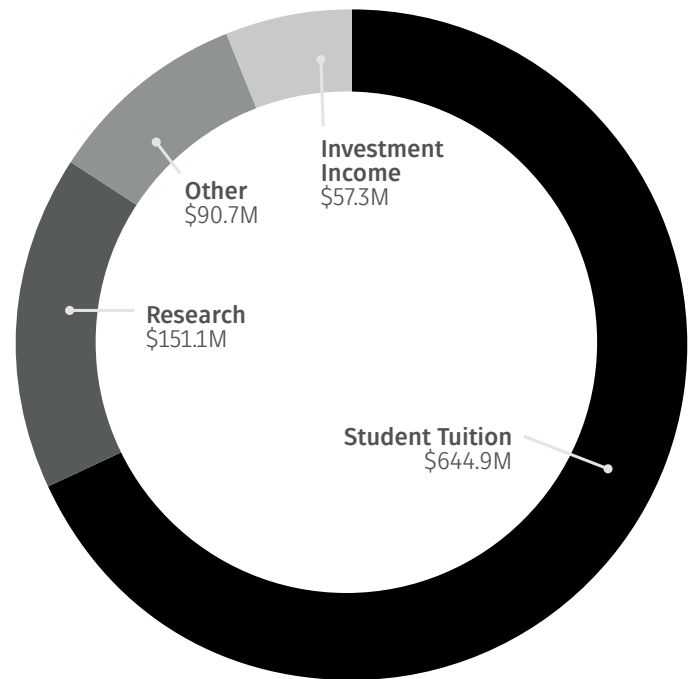
Total research income recognised in 2024 was \$151.1M, up from \$135.0M, an increase of 12% on 2023.

The University's investment portfolio returns were positive again in 2024, reporting \$57.3M in total investment income, reflecting realised returns of \$42.2M, unrealised gains of \$4.7M and interest income of \$8.2M. The total investment increase of \$33.7M on 2023 investment returns reflects strong performance and the 2023 derecognition of franking credit receivables of \$22.8M. The University, along with 38 other universities, continues to challenge the Australian Taxation Office (ATO) franking credit rejection.

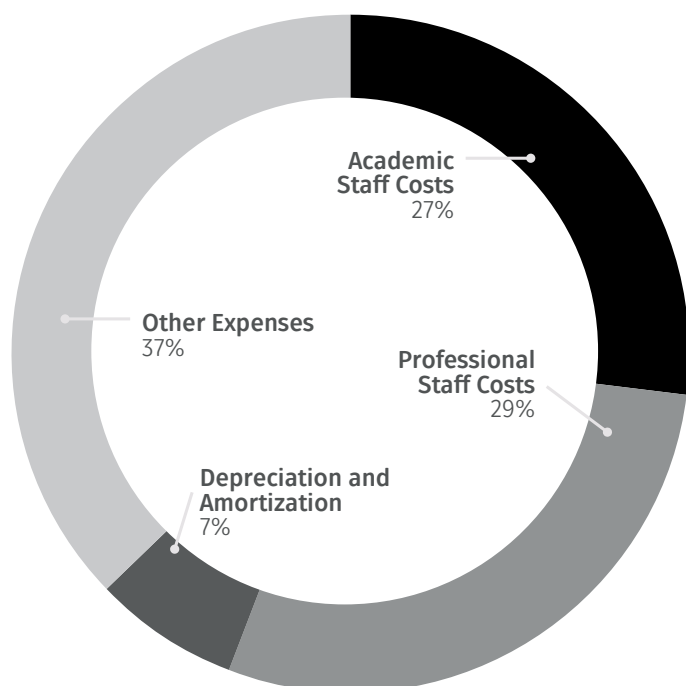
Revenue from Commonwealth supported students contributed \$281.5M for 2024, an increase of 7% from 2023, reflecting inflation linked funding increases received in 2024 and stronger domestic student load.

Revenue from international onshore and offshore student tuition fees increased \$5.8M, (5%) over 2023 as the processing of visas was slowed across the year, restricting the movement of international students. International student revenue softened in 2024 however strong growth is expected to return in 2025 with the easing of restrictive visa conditions.

**Table 1 - Income by Category 2024
(% of total)**



**Table 2 - Expenditure by Category 2024
(% of total)**



UNIVERSITY EXPENSE ANALYSIS

Operating expenditure for the University for 2024 totalled \$885.8M, an increase of 5% compared to 2023.

Employee expenses for the University increased 5% in line with overall expenses, reflecting Enterprise Agreement increases and leave entitlement increases, offset by a small reduction in total Full-Time Equivalent (FTE) numbers compared to 2023.

Non-employee expenditure in 2024 remained in line with 2023 costs through close management of spending. Scholarships, grants and prizes costs increased \$18.6M, reflecting the continued competition for international students and general increases in academic and hardship-based scholarship awards.

UNIVERSITY BALANCE SHEET

Net assets for the University increased \$150.6M, an increase of 9% year-on-year, for the year ended 31 December 2024. Cash assets decreased against 2023 as the University sought to manage creditor balances around year-end to support finance system changes. Cash flows from operating activities decreased with a larger proportion of international student payments received in advance of 2024. Investing activity cashflows reflected additional capital expenditure compared to 2023 and financing activities for 2024 included initial utilisation of borrowings supporting construction of new student accommodation.

ASSETS

Total assets increased \$136.5M due to increases in property, plant and equipment and intangible assets from capital purchases and construction as well as annual valuation increases as well as increased financial assets due to investment performance and reinvestment of returns.

LIABILITIES

Decreases of \$14.0M in liabilities in 2024 relate to reductions in total provisions, primarily related to government supported defined benefit obligations which have a netting affect in assets for government receivables. Reductions were also recorded in trade payables due to management of balances at year-end.

Year on Year Assets and Liabilities

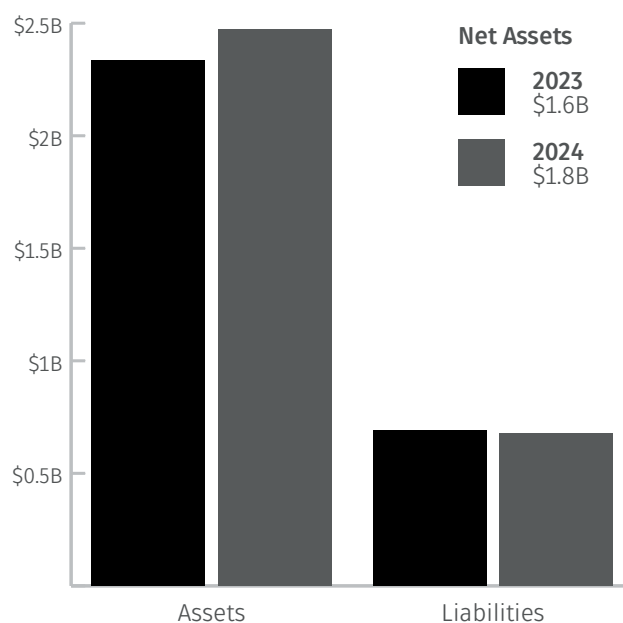


TABLE 3 - YEAR ON YEAR ASSETS AND LIABILITIES

	2023	2024
Assets	\$2,335,562	\$2,472,088
Liabilities	\$690,397	\$676,352
Net Assets	\$1,645,165	\$1,795,736

FINANCIAL STATEMENTS

ABN 15 736 576 735

FOR THE YEAR ENDED 31 DECEMBER 2024

THE UNIVERSITY OF NEWCASTLE

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Consolidated		Parent	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
Revenue and income from continuing operations					
Australian Government financial assistance					
Australian Government grants	3.1	417,047	385,266	417,047	385,266
HELP - Australian Government payments	3.1	169,926	153,414	169,926	153,414
State and Local Government financial assistance	3.2	19,644	15,917	19,644	15,917
HECS-HELP - student payments		11,619	7,930	11,619	7,930
Fees and charges	3.3	197,354	175,328	181,858	161,547
Investment income/(loss)	4	57,782	23,930	57,301	23,632
Royalties, trademarks and licences	3.4	248	744	425	405
Consultancy and contracts	3.5	65,261	67,401	52,174	55,994
Other revenue	3.6	36,115	38,346	33,979	36,402
Total revenue and income from continuing operations		974,996	868,276	943,973	840,507
Expenses from continuing operations					
Employee related expenses	5	515,610	490,190	494,317	472,106
Depreciation and amortisation	6	62,530	59,113	60,813	57,862
Repairs and maintenance	7	38,199	37,075	37,285	36,458
Borrowing costs	8	148	458	474	741
Impairment of assets	9	2,121	2,465	2,117	2,443
Loss/(gain) on disposal of assets		(501)	(321)	(488)	(321)
Deferred superannuation expense	5	758	809	758	809
Other expenses	10	294,525	278,487	290,537	274,716
Total expenses from continuing operations		913,390	868,276	885,813	844,814
Net result before income tax from continuing operations		61,606	-	58,160	(4,307)
Income tax expense		292	327	-	7
Net result after income tax for the period		61,314	(327)	58,160	(4,314)
Net result attributable to:					
Members of the University of Newcastle		61,314	(327)	58,160	(4,314)
Total		61,314	(327)	58,160	(4,314)

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

THE UNIVERSITY OF NEWCASTLE

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Consolidated		Parent	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Net result after income tax for the period		61,314	(327)	58,160	(4,314)
Items that will be reclassified to profit or loss					
Exchange differences on translation of foreign operations		<u>682</u>	<u>65</u>	<u>-</u>	<u>-</u>
Total		<u>682</u>	<u>65</u>	<u>-</u>	<u>-</u>
Items that will not be reclassified to profit or loss					
Gain/(loss) on revaluation of land, buildings, and infrastructure net of tax	14	<u>80,436</u>	<u>53,238</u>	<u>83,749</u>	<u>49,847</u>
Net actuarial gain/(loss) recognised in respect of defined benefit plans	31(d)	<u>(494)</u>	<u>(671)</u>	<u>(494)</u>	<u>(671)</u>
Gain/(loss) on revaluation of other financial assets through comprehensive income		<u>9,156</u>	<u>(308)</u>	<u>9,156</u>	<u>(308)</u>
Total		<u>89,098</u>	<u>52,259</u>	<u>92,411</u>	<u>48,868</u>
Total other comprehensive income		<u>89,780</u>	<u>52,324</u>	<u>92,411</u>	<u>48,868</u>
Comprehensive result		<u>151,094</u>	<u>51,997</u>	<u>150,571</u>	<u>44,554</u>
Total comprehensive income attributable to:					
Members of the University of Newcastle		<u>151,094</u>	<u>51,997</u>	<u>150,571</u>	<u>44,554</u>
Total		<u>151,094</u>	<u>51,997</u>	<u>150,571</u>	<u>44,554</u>

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

THE UNIVERSITY OF NEWCASTLE

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Consolidated		Parent	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Assets					
Current assets					
Cash and cash equivalents	11	39,016	59,632	22,569	45,896
Trade and other receivables	12	80,828	64,971	80,173	62,726
Inventories		311	299	42	42
Other financial assets	13	117,071	112,567	112,000	111,000
Non-current assets held for sale		67	-	-	-
Total current assets		237,293	237,469	214,784	219,664
Non-current assets					
Trade and other receivables	12	286,247	308,105	285,844	307,759
Other financial assets	13	521,532	500,634	521,618	500,720
Property, plant and equipment	14	1,445,667	1,325,912	1,414,527	1,293,004
Intangible assets	15	35,364	14,457	35,315	14,415
Total non-current assets		2,288,810	2,149,108	2,257,304	2,115,898
Total assets		2,526,103	2,386,577	2,472,088	2,335,562
Liabilities					
Current liabilities					
Trade and other payables	16	65,412	73,970	69,484	77,824
Borrowings	17	7,941	3,336	7,053	2,609
Provisions	18	113,238	108,328	111,346	106,620
Other liabilities	19	163,966	157,234	160,197	156,212
Total current liabilities		350,557	342,868	348,080	343,265
Non-current liabilities					
Provisions	18	320,629	344,935	320,291	344,699
Borrowings	17	8,983	3,934	7,981	2,433
Total non-current liabilities		329,612	348,869	328,272	347,132
Total liabilities		680,169	691,737	676,352	690,397
Net assets		1,845,934	1,694,840	1,795,736	1,645,165
Equity					
Reserves	27	712,542	622,762	688,993	596,582
Retained earnings	27	1,133,392	1,072,078	1,106,743	1,048,583
Total equity		1,845,934	1,694,840	1,795,736	1,645,165

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

THE UNIVERSITY OF NEWCASTLE

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

2024	Consolidated		
	Reserves	Retained Earnings	Total
	\$'000	\$'000	\$'000
Balance at 1 January 2024	622,762	1,072,078	1,694,840
Net result	-	61,314	61,314
Gain/(loss) on revaluation of land, buildings and infrastructure, net of tax	80,436	-	80,436
Gain/(loss) on financial assets at fair value through OCI	9,156	-	9,156
Gain/(loss) on foreign exchange	682	-	682
Transfers from reserves	-	-	-
Remeasurements of Defined Benefit Plans	(494)	-	(494)
Total comprehensive income	89,780	61,314	151,094
Balance at 31 December 2024	712,542	1,133,392	1,845,934

2023	Consolidated		
	Reserves	Retained Earnings	Total
	\$'000	\$'000	\$'000
Balance at 1 January 2023	570,589	1,072,254	1,642,843
Net result	-	(327)	(327)
Gain/(loss) on revaluation of land, buildings and infrastructure, net of tax	53,238	-	53,238
Gain/(loss) on financial assets at fair value through OCI	(308)	-	(308)
Gain/(loss) on foreign exchange	65	-	65
Transfers from reserves	(151)	151	-
Remeasurements of Defined Benefit Plans	(671)	-	(671)
Total comprehensive income	52,173	(176)	51,997
Balance at 31 December 2023	622,762	1,072,078	1,694,840

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

THE UNIVERSITY OF NEWCASTLE

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

2024	Parent		
	Reserves	Retained Earnings	Total
	\$'000	\$'000	\$'000
Balance at 1 January 2024	596,582	1,048,583	1,645,165
Net result	-	58,160	58,160
Gain/(loss) on revaluation of land, buildings and infrastructure, net of tax	83,749	-	83,749
Gain/(loss) on financial assets at fair value through OCI	9,156	-	9,156
Remeasurements of Defined Benefit Plans	(494)	-	(494)
Total comprehensive income	92,411	58,160	150,571
Balance at 31 December 2024	688,993	1,106,743	1,795,736

2023	Parent		
	Reserves	Retained Earnings	Total
	\$'000	\$'000	\$'000
Balance at 1 January 2023	547,867	1,052,744	1,600,611
Net result	-	(4,314)	(4,314)
Gain/(loss) on revaluation of land, buildings and infrastructure, net of tax	49,847	-	49,847
Gain/(loss) on financial assets at fair value through OCI	(308)	-	(308)
Transfers from reserves	(153)	153	-
Remeasurements of Defined Benefit Plans	(671)	-	(671)
Total comprehensive income	48,715	(4,161)	44,554
Balance at 31 December 2023	596,582	1,048,583	1,645,165

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

THE UNIVERSITY OF NEWCASTLE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Consolidated		Parent	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Australian Government grants		590,876	586,490	590,876	586,490
State Government grants		16,226	19,177	16,226	19,177
HECS-HELP - student payments		11,619	7,930	11,619	7,930
Receipts from student fees and other customers		287,922	244,628	247,783	214,060
Payments to suppliers and employees (inclusive of GST)		(873,703)	(795,944)	(845,454)	(776,045)
Dividends and distribution received		2,131	2,186	2,131	2,186
Interest received		8,451	8,861	8,044	8,550
Interest paid		(226)	(408)	(151)	(343)
GST recovered / (paid)		18,736	16,329	21,180	18,221
Income taxes paid		(208)	(296)	-	-
Lease payments for short-term and low-value leases		(3,951)	(4,541)	(3,736)	(4,369)
Net cash provided by / (used in) operating activities	26	57,873	84,412	48,518	75,857
Cash flows from investing activities					
Proceeds from sales of property, plant and equipment, intangibles and other long-term assets		216	2,377	216	2,377
Payments to acquire property, plant and equipment, intangibles and other long-term assets		(112,348)	(64,818)	(109,478)	(64,097)
Proceeds from sale of financial assets		350,747	405,410	347,747	399,500
Payments for financial assets		(318,945)	(410,659)	(312,445)	(404,500)
Net cash provided by / (used in) investing activities		(80,330)	(67,690)	(73,960)	(66,720)
Cash flows from financing activities					
Proceeds from borrowings		5,000	-	5,000	-
Repayment of lease liabilities		(3,635)	(3,364)	(2,885)	(2,637)
Net cash provided by / (used in) financing activities		1,365	(3,364)	2,115	(2,637)
Net increase / (decrease) in cash and cash equivalents		(21,092)	13,358	(23,327)	6,500
Cash and cash equivalents at the beginning of year		59,632	46,262	45,896	39,396
Effects of exchange rate changes on cash and cash equivalents		476	12	-	-
Cash and cash equivalents at end of financial year	11	39,016	59,632	22,569	45,896

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

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

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THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. Summary of Material Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied for all years reported unless otherwise stated. The financial statements include separate statements for the University of Newcastle as the parent entity and the consolidated entity consisting of the University of Newcastle and its controlled entities (subsidiaries), collectively the 'Group'.

The principal address of the University is: University Drive, Callaghan NSW 2308, Australia.

(a) Basis of preparation

As per AASB1054 *Australian Additional Disclosures*, the annual financial statements represent the audited general purpose financial statements of the University of Newcastle and the Group. They have been prepared on an accrual basis and comply with the Australian Accounting Standards (AAS) and other authoritative pronouncements of the AAS Board.

The University of Newcastle applies Tier 1 reporting requirements.

Additionally, the statements have been prepared in accordance with the following statutory requirements:

- *Higher Education Support Act 2003* (Financial Statement Guidelines)
- *Government Sector Finance Act 2018*
- Government Sector Finance Regulation 2024.

Date of authorisation for issue

The financial statements were authorised for issue by the Council of the University of Newcastle on 28 March 2025.

Historical cost convention

These financial statements have been prepared under the historical cost convention, except for debt and equity financial assets (including derivative financial instruments) that have been measured at fair value either through other comprehensive income or profit or loss, certain classes of property, plant and equipment and investment properties.

Critical accounting estimates and judgements

The preparation of financial statements in conformity with AAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to actual results differing from these assumptions and judgements. Detailed information about each of these estimates and judgements are included within other notes.

- Fair value of other financial assets (refer to Note 13)
- Trade and other receivables (refer to Note 12)
- Employee benefits - Long service leave provision (refer to Note 18)
- Employee benefits - Defined benefit plans obligation (refer to Notes 18 and 31)
- Useful lives of property, plant and equipment (refer to Note 14)
- Fair value of property, plant and equipment (refer to Note 14)

Key judgements

Management has not made any judgement in the process of applying accounting policies that would have a significant impact on the amounts disclosed in the financial report other than the normal operational judgements affecting depreciation, impairment, revaluation of assets and calculation of employee benefits.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. Summary of Material Accounting Policies (continued)

(b) Basis of Consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the University of Newcastle as at 31 December 2024 and the results of all subsidiaries for the year then ended. The University of Newcastle and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all those entities (including structured entities) over which the Group has control. The Group has control over an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power over the investee exists when the Group has existing rights that give it current ability to direct the relevant activities of the investee. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Returns are not necessarily monetary.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of financial position and statement of changes in equity respectively.

Loss of control of the subsidiary will result in derecognition of the assets and liabilities of the former subsidiary from the consolidated statement of financial position. Any investment retained in the former subsidiary is recognised and accounted for in accordance with the relevant Standards. The loss or gain associated with loss of control attributable to the former controlling interest is recognised.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control. Investments in associates are accounted for in the parent entity financial statements using the cost method or the equity method, and in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost.

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates are recognised in the parent entity's income statement, while in the consolidated financial statements they reduce the carrying amount of the investment.

Gains or losses resulting from 'upstream' and 'downstream' transactions, involving assets that do not constitute a business, are recognised in the parent's financial statements only to the extent of unrelated investors' interests in the associate or joint venture. Gains or losses resulting from the contribution of non-monetary assets in exchange for an equity interest are accounted for in the same method.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. Details relating to Associates are set out in Note 23.

(iii) Joint Ventures

The interest in a joint venture entity is accounted for in the consolidated financial statements using the equity method and is carried at cost by the parent entity. Under the equity method, the share of the profits or losses of the entity is recognised in the income statement, and the share of movements in reserves is recognised in reserves in the statement of comprehensive income and the statement of changes in equity. Details relating to the joint venture entities are set out in Note 23.

(c) Comparative Amounts

Where necessary, comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year. These reclassifications had no effect on the reported results of operations.

(d) Income Tax

The University of Newcastle, The University of Newcastle Research Associates Ltd, Newcastle University Sport and NUservices Pty Ltd. do not provide for Australian income tax as it is exempt under the provisions of Division 50 of the *Income Tax Assessment Act 1997* (ITAA). Newcastle Australia Institute of Higher Education Pte Ltd is subject to income tax under Singaporean Legislation.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. Summary of Material Accounting Policies (continued)

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

All Australian controlled entities are grouped with parent entity for GST purpose.

(f) Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The University and Group financial statements are presented in Australian dollars, which is the University of Newcastle's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

If gains or losses on non-monetary items are recognised in other comprehensive income, translation gains or losses are also recognised in other comprehensive income. Similarly, if gains or losses on non-monetary items are recognised in profit or loss, translation gains or losses are also recognised in profit or loss.

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period;
- income and expenses for each income statement are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are accounted for by recognising the effective portion in other comprehensive income and the ineffective portion in the income statement. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the gain or loss relating to the effective portion of the hedge that has been recognised in other comprehensive income is reclassified from equity to the income statement as a reclassification adjustment.

(g) Rounding of Amounts

Amounts have been rounded off to the nearest thousand dollars, or in certain cases, to the nearest dollar.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. Summary of Material Accounting Policies (continued)

(h) Initial application of AAS

The Group has applied for the first time the following amendments, effective for annual periods beginning on or after 1 January 2024 (unless otherwise stated). The impact of each amendment has been disclosed below:

AASB2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback

The amendments to AASB 16 Leases, adding subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements for AASB 15 Revenue from Contracts with Customers to be accounted for as a sale.

The Group has reviewed these amendments and identified no material effect on its financial statements.

AASB2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Amendments to AASB101 and AASB2022-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Amendments to AASB101

The amendments clarified requirements for the presentation of liabilities in the statement of financial position as current or non-current. The meaning of settlement of a liability is also clarified.

The amendments improved the information an entity provides in its financial statements about liabilities arising from loan arrangements for which the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan.

The Group has reviewed these amendments and identified no material effect on its financial statements.

AASB2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

The amendments added authoritative implementation guidance and providing related illustrative examples, for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.

The Group has reviewed these amendments and identified an impact on the financial statements. Details of the impact have been disclosed in Note 14: Property, Plant and Equipment.

AASB2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangement

The amendments to AASB 107 Statement of Cash Flows and AASB 7 Financial Instruments: Disclosures, requiring additional disclosure of supplier finance arrangements to enable users of statements to assess how supplier finance arrangement affect an entity's liabilities, cash flows and exposure to liquidity risk.

The Group has reviewed these amendments and identified no material effect on its financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. Summary of Material Accounting Policies (continued)

(i) New accounting standards and interpretations issued but not yet effective

The following standards have been issued but are not mandatory for 31 December 2024 reporting periods. The Group has elected not to early adopt any of these standards. The Group's assessment of the impact of these new standards and interpretations is set out below:

Standard	Application Date	Implications
AASB2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to AASB10 and AASB128	1 January 2025	An amendment to AASB10 <i>Consolidated Financial Statements</i> and AASB 128 <i>Investments in Associates and Joint Ventures</i> and requires changes to the disclosure of investments in associates and joint ventures and how an entity reports their investment. No material impact has been identified for the Group.
AASB2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability	1 January 2025	An amendment to AASB121 <i>The Effects of Changes in Foreign Exchange Rates</i> and AASB1 <i>First Time Adoption of Australian Accounting Standards</i> and requires entities to apply a consistent approach to determination of exchangeable currencies. No material impact has been identified for the Group.
AASB2024-2 Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments	1 January 2026	An amendment to AASB7 <i>Financial Instruments: Disclosure</i> and AASB 9 <i>Financial Instruments</i> . The amendments provide revised guidance to improve clarity and consistency in how financial instruments are classified, measured, and disclosed. No material impact has been identified for the Group.
AASB2022-9 Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector	1 January 2027	An amendment also related to the application of AASB 17 to enable specific treatment for public sector entities including exemptions, as well as amendments for AASB 1050 <i>Administered Items</i> to enable accounting choice for government departments to apply either AASB 17 or AASB 137 <i>Provisions, Contingent Liabilities and Contingent Assets</i> . No material impact has been identified for the Group.
AASB2022-8 Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments	1 January 2027	An amendment which enables public sector entities (both for-profit and not-for-profit) to apply transitional provisions in AASB 4 <i>Insurance Contracts</i> and AASB 1023 <i>General Insurance Contracts</i> for the periods 1 January 2023 up until 1 July 2026, while the AASB amend AASB 17 for specific application by public sector entities. No material impact has been identified for the Group.
AASB18 Presentation and Disclosure in Financial Statements [for not-for-profit and superannuation entities]	1 January 2028	A standard designed to improve the information presented in financial statements that focuses on financial performance within the statement of profit and loss. No material impact has been identified for the Group.

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FOR THE YEAR ENDED 31 DECEMBER 2024

2. Disaggregated Information**(i) Geographical Consolidated Entity**

	Revenue and income from transactions*		Results		Assets	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australia	958,882	854,369	58,735	- 2,279	2,509,104	2,372,845
Singapore	16,114	13,907	2,579	1,952	16,999	13,732
Total	974,996	868,276	61,314	-327	2,526,103	2,386,577

*Includes revenue from contracts with customers in scope of AASB15 and income of not-for-profit entities in scope of AASB1058.

3. Revenue and Income**3.1 Australian Government Financial Assistance including Australian Government Loan Programs (HELP)**

	Note	Consolidated		Parent	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
(a) Commonwealth Grant Schemes and Other Grants					
Commonwealth Grants Scheme ^{#1}		255,585	239,053	255,585	239,053
Indigenous, Regional and Low SES Attainment Fund		11,513	9,767	11,513	9,767
National Priorities and Industry Linkage Fund		7,880	7,310	7,880	7,310
Higher Education Disability Support Program ^{#2}		433	324	433	324
Indigenous Student Success Program ^{#3}		4,154	3,925	4,154	3,925
Other		1,936	2,535	1,936	2,535
Total Commonwealth Grants Scheme and Other Grants	32(a)	281,501	262,914	281,501	262,914
(b) Higher Education Loan Programs					
HECS-HELP		149,403	130,680	149,403	130,680
FEE-HELP		14,570	17,905	14,570	17,905
SA-HELP payments		5,953	4,829	5,953	4,829
Total Higher Education Loan Programs	32(b)	169,926	153,414	169,926	153,414
(c) EDUCATION Research					
Research Training Program		31,146	30,662	31,146	30,662
Research Support Program		24,137	24,288	24,137	24,288
Total EDUCATION Research	32(c)	55,283	54,950	55,283	54,950
(d) Other Capital Funding					
Other Capital Funding		1,316	489	1,316	489
Total Other Capital Funding	32(e)	1,316	489	1,316	489
(e) Australian Research Council					
Discovery		6,508	6,207	6,508	6,207
Linkages ^{#4}		1,489	1,729	1,489	1,729
Networks and Centres		1,394	1,409	1,394	1,409
Special Research Initiatives		28	434	28	434
Total Australian Research Council	32(f)	9,419	9,779	9,419	9,779

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

3.1 Australian Government Financial Assistance including Australian Government Loan Programs (HELP) (continued)

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
(f) Other Australian Government Financial Assistance				
Non-capital				
Other Commonwealth Research Grant	22,064	16,356	22,064	16,356
Other Commonwealth Non-Research Grant	12,748	12,499	12,748	12,499
National Health and Medical Research Council	23,824	21,171	23,824	21,171
Total Non-capital	58,636	50,026	58,636	50,026
Capital				
Other	10,892	7,108	10,892	7,108
Total Capital	10,892	7,108	10,892	7,108
Total other Australian Government financial assistance	69,528	57,134	69,528	57,134
Total Australian Government financial assistance	586,973	538,680	586,973	538,680

#1 Includes the basic CGS grant amount, Medical Student Loading, Transition Fund loading, Allocated Places and Non Designated Courses.

#2 Higher Education Disability Support Program includes Additional Support for Students with Disabilities and Australian Disability Clearinghouse on Education & Training.

#3 Indigenous Student Success Program replaced the Indigenous Commonwealth Scholarships Program and the Indigenous Support Program as of 1 January 2017.

#4 Australian Research Council (ARC) Linkage Infrastructure, Equipment and Facilities grants are reported in (d) Other capital funding.

Accounting Policy

Revenue from grants, including research grants is recognised within the scope of AASB 15 *Revenue from Contracts with Customers* when there is an enforceable arrangement with the grantor and 'sufficiently specific' performance obligations exist within the funding arrangement. Under these circumstances, revenue is recognised when the Group satisfies the performance obligation by transferring the promised services, such as research services, data, detailed findings or the availability of access to the funding body or designated third party.

The Group applies the requirements of AASB 9 *Financial Instruments* when the revenue relates to a financial instrument. The acquisition or construction of the non-financial asset is accounted for separately to the transfer of the financial asset, in accordance with other Standards.

Depending on the nature of the promise, the Group either recognises revenue at a point in time when the promise is delivered (e.g. when the detailed findings are provided) or recognises revenue over time as the service is performed (e.g. as the funder obtains control of the intellectual property as it is created). Generally, research contract revenue is recognised over time using an input methodology, based on expenditure incurred to date for the project.

Income from grants without sufficiently specific performance obligations within the scope of AASB 1058 *Income for Not-for-profit Entities* is generally recognised when the entity has an unconditional right to receive the granted assets (e.g. cash).

Revenue from HELP is categorised into those received from the Australian Government and those received directly from students. Revenue is recognised and measured in accordance with the above disclosure.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

3.2 State and Local Government Financial Assistance

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Non-capital				
State Government contributions	2,242	2,053	2,242	2,053
State and Local Government research grants	16,898	13,155	16,898	13,155
Total Non-capital	19,140	15,208	19,140	15,208
Capital				
State Government capital contributions	504	709	504	709
Total capital	504	709	504	709
Total State and Local Government Financial Assistance	19,644	15,917	19,644	15,917

Accounting Policy

Contributions and grants from State and Local Governments are recognised within the scope of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income for Not-for-profit Entities* depending on the existence of performance obligations within the funding arrangement, consistent with application for Australian Government funding.

In cases where the transaction includes a transfer to enable the Group to acquire or construct a recognisable non-financial asset to be controlled by the Group, the Group recognises a liability for the excess of the fair value of the transfer over any related amounts recognised and recognises income in the income statement as it satisfies its obligations under the transfer.

A transfer of a financial asset to enable the Group to acquire or construct a recognisable non-financial asset for its own use is one that:

- (i) requires the Group to use that financial asset to acquire or construct a non-financial asset to identified specifications
- (ii) does not require the Group to transfer the non-financial asset to the transferor or other parties and
- (iii) occurs under an enforceable agreement.

For each obligation, the Group determines whether the obligation would be satisfied over time or at a point in time, depending on the nature and obligations of the funding agreement. If the Group does not satisfy an obligation over time, the obligation would be satisfied at a point in time. For an obligation that is satisfied over time (not at a point in time) the Group is required to measure its progress towards complete satisfaction of the obligation at the end of each reporting period.

The Group applies the requirements of AASB 9 *Financial Instruments* when accounting for the financial asset (e.g. cash) received. The acquisition or construction of the non-financial asset is accounted for separately to the transfer of the financial asset, in accordance with other Standards.

The above applies for transfers that meet the criteria to be considered as 'transfers to enable the Group to acquire or construct a recognisable non-financial asset to be controlled by the Group'.

A key criterion is that the non-financial asset to be constructed or acquired by the Group needs to be permitted to be recognised by another standard (e.g. the construction of a building under AASB116 *Property, Plant and Equipment* or intangible asset under AASB138 *Intangible Assets*).

If the non-financial asset is not permitted to be recognised by another standard (e.g. research activities which cannot be recognised as an asset in accordance with AASB138 *Intangible Assets*), the Group is not permitted to apply the capital grant accounting. Instead, the Group would revert back to the general income recognition requirements (under AASB1058.9 *Income for Not-for-profit Entities*) which is to recognise the difference between the initial carrying amount of the asset and any 'related amounts' immediately as income in the income statement.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

3.3 Fees and Charges

	Note	Consolidated		Parent	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Course Fees and Charges					
Fee-paying onshore overseas students		113,393	108,964	113,393	108,964
Fee-paying offshore overseas students		18,668	15,396	3,592	2,196
Fee-paying domestic postgraduate students		29,624	18,946	29,624	18,946
Fee-paying domestic undergraduate students		61	140	61	140
Fee-paying domestic non-award students		538	551	538	551
Course and conference fees		2,976	2,356	2,557	1,776
Total Course Fees and Charges		165,260	146,353	149,765	132,573
Other Non-Course Fees and Charges					
Student services and amenities fees from students	32 (i)	2,649	2,086	2,649	2,086
Library fines		1,340	490	1,340	490
Parking fines and fees		2,682	2,335	2,681	2,334
Student accommodation		22,963	22,570	22,963	22,570
Other services		2,460	1,494	2,460	1,494
Total Other Fees and Charges		32,094	28,975	32,093	28,974
Total Fees and Charges		197,354	175,328	181,858	161,547

Accounting Policy

Fees and charges are recognised as income over time when the course is delivered to students or at a point in time when a fee is related to services provided immediately or non-refundable. When the courses or other services have been paid in advance by students or customers or the Group has received government funding in advance, the Group recognises a contract liability until the services are delivered. Conversely, fees and charges relating to debtors are recognised as revenue in the year to which the prescribed course relates.

3.4 Royalties, Trademarks and Licences

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Royalties, trademarks and licences	248	744	425	405
Total royalties, trademarks and licences	248	744	425	405

3.5 Consultancy and Contracts

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Consultancy and Contracts				
Consultancy	5,456	5,884	3,718	4,335
Contract research				
Other contract revenue	18,715	18,974	18,706	18,974
Co-operative research centre	2,262	1,578	2,262	1,578
Hunter Medical Research Institute	9,345	9,913	9,345	9,913
Industry research	29,483	31,052	18,143	21,194
Total contract research	59,805	61,517	48,456	51,659
Total consultancy and contracts	65,261	67,401	52,174	55,994

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

3.5 Consultancy and Contracts (continued)**Accounting Policy**

Consultancy contracts are recognised in accordance with AASB 15 *Revenue from Contracts with Customers*, using the method most appropriate based on the nature of the contract. The fulfillment of performance obligation is measured by considering actual costs as a percentage of total forecast costs, or other suitable estimate techniques.

Where contract arrangements meet conditions set out by AASB 1058 *Income for Not-for-profit Entities*, consultancy contracts are recognised at fair value when the Group obtains control of the right to receive the funds, it is probable that economic benefits will flow to the Group, and it can be reliably measured.

3.6 Other Revenue and Income

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Other revenue				
Donations and bequests	7,868	12,133	8,388	12,903
Other revenue	2,385	2,179	202	314
Sale of goods	7	5	-	-
Sales, memberships and tickets	6,050	7,267	2,494	3,818
Rebates and commissions from external parties	2,028	1,981	1,185	681
Insurance recoveries	73	826	71	803
Rental revenue	3,316	2,932	2,783	2,649
Sponsorship	2,042	1,916	2,047	1,913
Other related party revenue	-	-	4,533	4,277
Cost recoveries	12,346	9,107	12,276	9,044
Total other revenue	36,115	38,346	33,979	36,402

Accounting Policy

Other revenue is accounted for in accordance with AASB 15 *Revenue from Contracts with Customers* where enforceable arrangements with the customer exist. This includes sale of goods and other revenue. AASB 1058 *Income for Not-for-profit Entities* is applied for other revenue where suitable enforcement arrangements are not in existence. In these instances, the Group generally recognises revenue when there is an unconditional right to receive the funds (e.g. cash). This includes donations and bequests as well as some other revenue.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

3.7 Revenue and Income Streams from Continuing Operations

Consolidated

	Sources of Funding							Total Revenue from contracts with customers	Total Income of not-for- profit entities
	Higher Education Loan Program ("HELP")	Student fees	Australian Government financial assistance	State and Local Government financial assistance	Commercial arrangements	Donations, including corporate sponsorship	Bequest		
Revenue and Income Streams									
Course fees and charges									
Domestic students undergraduate	149,439	61	-	-	-	-	-	149,500	-
Onshore overseas students undergraduate	-	50,328	-	-	-	-	-	50,328	-
Offshore overseas students undergraduate	-	13,203	-	-	-	-	-	13,203	-
Domestic students postgraduate	14,534	29,624	-	-	-	-	-	44,158	-
Onshore overseas students postgraduate	-	59,295	-	-	-	-	-	59,295	-
Offshore overseas students postgraduate	-	5,461	-	-	-	-	-	5,461	-
Others (e.g. non-award)	-	4,312	-	-	-	-	-	4,312	-
Total course fees and charges	163,973	162,284	-	-	-	-	-	326,257	-
Research									
Research goods and services [AASB15]	-	-	53,071	15,420	28,119	-	15,566	112,176	-
Research income [AASB1058]	-	-	57,545	1,478	1,364	-	14,721	-	75,108
Total research	-	-	110,616	16,898	29,483	-	30,287	112,176	75,108
Recurrent government grants									
Non-course fees and charges	-	-	294,249	2,242	-	-	-	277,855	18,636
Parking fees	-	-	-	-	2,681	-	-	2,681	-
Student services and amenities fees	5,953	2,649	-	-	-	-	-	8,602	-
Student accommodation	-	-	-	-	22,963	-	-	22,963	-
Other	-	-	-	-	5,019	-	1,340	5,019	1,340
Total non-course fees and charges	5,953	2,649	-	-	30,663	-	1,340	39,265	1,340
Capital Government grants									
Royalties	-	-	12,208	504	(197)	-	-	(197)	12,712
Licences	-	-	-	-	350	-	-	350	-
Other [AASB15]	-	-	-	-	31,980	-	9	31,989	-
Other [AASB1058]	-	-	-	-	-	9,481	189	-	10,104
Total other	-	-	-	-	31,980	9,481	198	31,989	10,104
Total revenue from contracts with customers	-	-	-	-	31,980	9,481	434	31,989	10,104
Total income of not-for-profit	-	-	-	-	-	-	-	787,695	117,900

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

3.7 Revenue and Income Streams from Continuing Operations (continued)

	Sources of Funding							2023		
	Higher Education Program ("HELP")	Student fees	Australian Government financial assistance	State and Local Government financial assistance	Commercial arrangements	Donations, including corporate sponsorship	Bequest	Others	Total Revenue from contracts with customers	Total Income of not-for-profit entities
Revenue and Income Streams										
Course fees and charges										
Domestic students undergraduate	130,724	140	-	-	-	-	-	-	130,864	-
Onshore overseas students undergraduate	-	48,204	-	-	-	-	-	-	48,204	-
Offshore overseas students undergraduate	-	10,988	-	-	-	-	-	-	10,988	-
Domestic students postgraduate	17,861	18,946	-	-	-	-	-	-	36,807	-
Onshore overseas students postgraduate	-	57,087	-	-	-	-	-	-	57,087	-
Offshore overseas students postgraduate	-	4,387	-	-	-	-	-	-	4,387	-
Others (e.g. non-award)	-	4,245	-	-	-	-	-	-	4,245	-
Total course fees and charges	148,585	143,997	-	-	-	-	-	-	292,582	-
Research										
Research goods and services [AASB15]	-	-	44,595	11,431	11,339	-	-	32,232	99,597	-
Research income [AASB1058]	-	-	57,661	1,724	96	-	-	17,850	-	77,331
Total research	-	-	102,256	13,155	11,435	-	-	50,082	99,597	77,331
Recurrent government grants	-	-	275,413	2,053	-	-	-	-	256,910	20,556
Non-course fees and charges										
Parking fees	-	-	-	-	2,334	-	-	-	2,334	-
Student services and amenities fees	4,829	2,086	-	-	-	-	-	-	6,915	-
Student accommodation	-	-	-	-	22,570	-	-	-	22,570	-
Other	-	-	-	-	3,765	-	-	-	3,765	-
Total non-course fees and charges	4,829	2,086	-	-	28,669	-	-	-	35,584	-
Capital Government grants										
Royalties	-	-	7,597	709	-	-	-	-	-	8,306
Licences	-	-	-	-	537	-	-	-	537	-
Other [AASB15]	-	-	-	-	207	-	-	-	207	-
Other [AASB1058]	-	-	-	-	30,691	-	-	-	30,691	-
Total other	-	-	-	-	12,334	-	1,712	69	-	14,115
Total revenue from contracts with customers	-	-	-	-	30,691	12,334	1,712	69	30,691	14,115
Total income of not-for-profit	-	-	-	-	716,108	-	-	-	-	120,308

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

3.7 Revenue and Income Streams from Continuing Operations (continued)

Parent	Sources of Funding							2024		
	Higher Education Loan Program ("HELP")	Student fees	Australian Government financial assistance	State and Local Government financial assistance	Commercial arrangements	Donations, including corporate sponsorship	Bequest		Others	Total Revenue from contracts with customers
Revenue and Income Streams										
Course fees and charges										
Domestic students undergraduate	149,439	61	-	-	-	-	-	-	149,500	-
Onshore overseas students undergraduate	-	50,328	-	-	-	-	-	-	50,328	-
Offshore overseas students undergraduate	-	2,857	-	-	-	-	-	-	2,857	-
Domestic students postgraduate	14,534	29,624	-	-	-	-	-	-	44,158	-
Onshore overseas students postgraduate	-	59,295	-	-	-	-	-	-	59,295	-
Offshore overseas students postgraduate	-	731	-	-	-	-	-	-	731	-
Others (e.g.non-award)	-	4,312	-	-	-	-	-	-	4,312	-
Total course fees and charges	163,973	147,208	-	-	-	-	-	-	311,181	-
Research										
Research goods and services [AASB15]	-	-	53,071	15,420	16,779	-	-	15,566	100,836	-
Research income [AASB1058]	-	-	57,545	1,478	1,364	-	-	14,721	-	75,108
Total research	-	-	110,616	16,898	18,143	-	-	30,287	100,836	75,108
Recurrent government grants										
Non-course fees and charges										
Parking fees	-	-	-	-	2,681	-	-	-	2,681	-
Student services and amenities fees	5,953	2,649	-	-	-	-	-	-	8,602	-
Student accommodation	-	-	-	-	22,963	-	-	-	22,963	-
Other	-	-	-	-	5,015	-	-	1,340	5,015	1,340
Total non-course fees and charges	5,953	2,649	-	-	30,659	-	-	1,340	39,261	1,340
Capital Government grants										
Royalties	-	-	12,208	504	-	-	-	-	-	12,712
Licences	-	-	-	-	425	-	-	-	425	-
Other	-	-	-	-	27,264	-	-	-	27,264	-
Other [AASB15]	-	-	-	-	-	-	-	-	-	-
Other [AASB1058]	-	-	-	-	-	10,001	434	-	-	10,435
Total other	-	-	-	-	27,264	10,001	434	-	27,264	10,435
Total revenue from contracts with customers	-	-	-	-	27,264	10,001	434	-	27,264	10,435
Total income of not-for-profit	-	-	-	-	756,822	-	-	-	756,822	118,231

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3.7 Revenue and Income Streams from Continuing Operations (continued)

Parent	Sources of Funding							Total Revenue from contracts with customers	Total Income of not-for- profit entities
	Higher Education Loan Program ("HELP")	Student fees	Australian Government financial assistance	State and Local Government financial assistance	Commercial arrangements	Donations, including corporate sponsorship	Bequest		
Revenue and Income Streams									
Course fees and charges									
Domestic students undergraduate	130,724	140	-	-	-	-	-	130,864	-
Onshore overseas students undergraduate	-	48,204	-	-	-	-	-	48,204	-
Offshore overseas students undergraduate	-	1,708	-	-	-	-	-	1,708	-
Domestic students postgraduate	17,861	18,946	-	-	-	-	-	36,807	-
Onshore overseas students postgraduate	-	57,087	-	-	-	-	-	57,087	-
Offshore overseas students postgraduate	-	467	-	-	-	-	-	467	-
Others (e.g.non-award)	-	4,245	-	-	-	-	-	4,245	-
Total course fees and charges	148,585	130,797	-	-	-	-	-	279,382	-
Research									
Research goods and services [AASB15]	-	-	44,595	11,431	1,481	-	-	32,232	89,739
Research income [AASB1058]	-	-	57,661	1,724	96	-	-	17,850	-
Total research	-	-	102,256	13,155	1,577	-	-	50,082	89,739
Recurrent government grants									
Non-course fees and charges	-	-	275,413	2,053	-	-	-	256,910	20,556
Parking fees	-	-	-	-	2,334	-	-	2,334	-
Student services and amenities fees	4,829	2,086	-	-	-	-	-	6,915	-
Student accommodation	-	-	-	-	22,570	-	-	22,570	-
Other	-	-	-	-	3,760	-	-	3,760	-
Total non-course fees and charges	4,829	2,086	-	-	28,664	-	-	35,579	-
Capital Government grants									
Royalties	-	-	7,597	709	199	-	-	199	8,306
Licences	-	-	-	-	206	-	-	206	-
Other [AASB15]	-	-	-	-	-	-	-	-	-
Other [AASB1058]	-	-	-	-	25,921	-	-	25,921	-
Total other	-	-	-	-	13,104	-	1,712	-	14,816
Total revenue from contracts with customers	-	-	-	-	25,921	-	1,712	25,921	14,816
Total income of not-for-profit	-	-	-	-	687,936	-	-	687,936	121,009

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3.8 Reconciliation of Revenue and Income

		Consolidated	Parent
		2024	2024
	Note	\$'000	\$'000
Total Australian Government financial assistance including Australian Government loan programs (HELP)	3.1	586,973	586,973
Total State and Local Government financial assistance	3.2	19,644	19,644
Total Fees and charges	3.3	197,354	181,858
Total Royalties, trademarks and licences	3.4	248	425
Total Consultancy and contract fees	3.5	65,261	52,174
Total Other revenue and income	3.6	36,115	33,979
Total		905,595	875,053
Total Revenue from contracts with customers as per AASB15	3.7	787,695	756,822
Total Income of not-for-profit as per AASB1058	3.7	117,900	118,231
Total Revenue and Income from continuing operations		905,595	875,053

4 Investment Income

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Interest income	8,693	9,724	8,212	9,426
Total Interest	8,693	9,724	8,212	9,426
Dividends and Distributions				
Other financial assets at fair value through profit and loss	42,232	8,211	42,232	8,211
Other financial assets at fair value through other comprehensive income	-	(22,759)	-	(22,759)
Total dividends and distributions	42,232	(14,548)	42,232	(14,548)
Total Investment income	50,925	(4,824)	50,444	(5,122)
Investment gains/(losses)				
Unrealised Investment gains/(losses)	4,701	28,754	4,701	28,754
Realised Investment gains/(losses)	2,156	-	2,156	-
Investment gains/(losses)	6,857	28,754	6,857	28,754
Total investment revenue and other investment income	57,782	23,930	57,301	23,632

In 2023 the University derecognised a franking credit receivable of \$22.8 million from EAL shares after the ATO notified that it was ineligible for franking credits under section 207-122(b)(l) of the Income Tax Assessment Act 1997.

Accounting Policy**Interest**

For all financial instruments measured at amortised cost through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in net investment income in the income statement.

Dividends and distributions

Revenue is recognised when (a) the Group's right to receive the payment is established, which is generally when shareholders approve the dividend, (b) it is probable that the economic benefits associated with the dividend will flow to the entity; and (c) the amount of the dividend can be measured reliably.

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5 Employee Related Expenses

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Academic				
Salaries	175,933	167,677	171,947	163,944
Contributions to superannuation and pension schemes				
Contributions to funded schemes	30,501	29,087	30,103	28,788
Contributions to unfunded schemes	98	122	98	122
Payroll tax	11,793	11,425	11,793	11,425
Worker's compensation	2,332	618	2,332	618
Long service leave	4,885	7,467	4,885	7,467
Annual leave	15,501	14,495	15,391	14,333
Other	3,032	7,641	3,032	7,641
Total academic	244,075	238,532	239,581	234,338
Non-academic				
Salaries	194,118	179,454	180,871	168,284
Contributions to superannuation and pension schemes				
Contributions to funded schemes	34,039	30,763	32,413	29,480
Contributions to unfunded schemes	258	226	258	226
Payroll tax	13,450	12,439	12,924	12,013
Worker's compensation	2,595	712	2,503	638
Long service leave	3,901	7,598	3,747	7,605
Annual leave	18,190	16,393	17,231	15,565
Other	4,984	4,073	4,789	3,957
Total non-academic	271,535	251,658	254,736	237,768
Total employee related expenses	515,610	490,190	494,317	472,106
Deferred superannuation expense	31(d) 758	809	758	809
Total employee related expenses, including government employee benefits for superannuation	516,368	490,999	495,075	472,915

Accounting Policy

Contributions to the defined contribution section of the Group's superannuation fund and other independent defined contribution superannuation funds are recognised as an expense as they become payable.

Past service costs are recognised in profit or loss at the earlier of the following dates:

- (a) when the plan amendment or curtailment occurs; and
- (b) when the entity recognises related restructuring costs or termination benefits.

(j) Short-term obligations

When an employee has rendered service to the Group during an accounting period, the Group recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- (a) as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the Group recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.
- (b) as an expense unless another Australian Accounting Standard requires or permits the inclusion of the benefits in the cost of an asset.

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5. Employee Related Expenses (continued)**Accounting Policy (continued)****(ii) Other long-term obligations**

The liability for other long-term benefits are those that are not expected to be settled wholly before 12 months after the end of the annual reporting period. Other long-term employee benefits include such things as annual leave and long service leave liabilities.

They are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. 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 reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it is classified as a non-current liability.

(iii) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The Group recognises the expense and liability for termination benefits either when it can no longer withdraw the offer of those benefits or when it has recognised costs for restructuring within the scope of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* that involves the payment of termination benefits. The expense and liability are recognised when the Group is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits are measured on initial recognition and subsequent changes are measured and recognised in accordance with the nature of the employee benefit. Benefits expected to be settled wholly within 12 months are measured at the undiscounted amount expected to be paid. Benefits not expected to be settled before 12 months after the end of the reporting period are discounted to present value. All employees of the Group are entitled to benefits on retirement, disability or death from the Group's Superannuation plan. The Group has a defined benefit section and a defined contribution section within its plan. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from the Group and the Group's legal or constructive obligation is limited to these contributions. A significant portion of the employees of the parent entity are members of the defined contribution section of the Group's plan.

6 Depreciation and Amortisation

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Depreciation				
Buildings and infrastructure	39,574	36,823	38,862	36,468
Plant and equipment	14,558	12,758	14,354	12,627
Right-of-use asset	3,864	3,750	3,072	2,993
Total depreciation	57,996	53,331	56,288	52,088
Amortisation				
Intangible assets	4,534	5,782	4,525	5,774
Total amortisation	4,534	5,782	4,525	5,774
Total depreciation and amortisation	62,530	59,113	60,813	57,862

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6. Depreciation and Amortisation (continued)**Accounting Policy****Property, Plant and Equipment**

Land, artworks and rare books are not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Depreciable assets	2024	2023
Buildings and infrastructure	20 - 60 years	20 - 60 years
Plant and equipment	2 - 40 years	2 - 40 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Right of use assets (under AASB16 *Leases*) and leasehold improvements are depreciated/amortised over the shorter of the lease term and the useful life of the asset.

Intangible assets

Amortisation has been included within the depreciation and amortisation line. The following useful lives are applied for intangible assets with finite useful lives:

Amortised assets	2024	2023
Intellectual property	2 - 22 years	2 - 22 years
Computer software	2 - 5 years	1 - 5 years

7. Repairs and Maintenance

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Repair and maintenance – general	33,102	29,211	32,307	28,718
Buildings	5,097	7,864	4,978	7,740
Total repairs and maintenance	<u>38,199</u>	<u>37,075</u>	<u>37,285</u>	<u>36,458</u>

Accounting Policy

Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the carrying amount of those parts that are replaced is derecognised and the cost of the replacing part is capitalised if the recognition criteria are met. Other routine operating maintenance, repair and minor renewal costs are also recognised as expenses, as incurred.

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8. Borrowing Costs

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Interest expense on lease liabilities	204	208	150	143
Borrowing costs	(56)	250	324	598
Total borrowing costs	148	458	474	741

Accounting Policy

Finance charges in respect of finance leases, to the extent that they are regarded as an adjustment to interest costs are included in the definition of borrowing costs.

For interest expense on lease liabilities, please refer to Note 17.1 which details the policy for lease accounting where the Group is a lessee.

Borrowing costs relate to interest and other costs incurred in connection to borrowing of funds, including interest charges on funds held by the parent on behalf of its controlled entities.

9. Impairment of Assets

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Trade and receivables	1,088	1,079	1,088	1,057
Capital Works in Progress	356	1,289	356	1,289
Plant and Equipment	330	1	326	1
Intangible Assets	347	96	347	96
Total impairment of assets	2,121	2,465	2,117	2,443

Accounting Policy

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Continuing economic challenges including high inflation and political tension worldwide continues to cause increased uncertainty and potential for the impairment of assets which has been considered in the Groups key assumptions and assessment of assets for impairment.

For further information on accounting policies of impairment of financial assets refer to Note 12 Trade and Other Receivables, Note 14 Property Plant and Equipment and Note 15 Intangibles.

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10. Other Expenses

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Advertising, marketing and promotional expenses	7,567	8,431	6,558	7,428
Consumables	30,373	30,089	29,379	29,271
Donations	24	16	14	5
Insurance	5,855	5,428	5,679	5,275
Minor equipment (inc. IT related expenses)	13,995	16,324	13,506	15,845
Operating lease rental	3,797	4,411	3,736	4,369
Professional services	71,906	75,886	72,174	76,206
Scholarships, grants and prizes	83,506	64,459	83,171	64,570
Telecommunications	3,559	3,585	3,495	3,526
Travel, staff development and entertainment	24,101	24,222	23,463	23,538
Utilities	8,528	8,452	8,391	8,358
Software maintenance and licence fees	21,762	20,184	21,598	20,012
Other expenses	19,552	17,000	19,373	16,313
Total other expenses	294,525	278,487	290,537	274,716

Accounting Policy

Other expenses are recognised as expenses as and when incurred.

Professional services refer to specialised expertise or consulting provided by external parties or individuals. These services include (but are not limited to) consulting services for the Group's capital and research projects, agent commissions, IT consulting, legal and business services.

11. Cash and Cash Equivalents

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	39,016	59,632	22,569	45,896
Total cash and cash equivalents	39,016	59,632	22,569	45,896

The above figures are included as cash and cash equivalents in the Statement of Cash Flows.

(a) Restricted cash

As at 31 December 2024 the Group had no restricted cash amounts. Refer to Note 13 for restricted amounts of other financial assets held by the Group.

Cash at bank and on hand

Cash on hand is non-interest bearing. Cash at bank earns floating interest rates between 4.35% and 4.60% (2023: 2.50% and 4.60%).

Accounting Policy

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

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12. Trade and Other Receivables

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Current				
Trade receivables	22,569	16,410	20,124	13,891
Student fees	3,619	3,124	3,619	3,124
Less: allowance for expected credit losses	(1,736)	(1,207)	(1,729)	(1,171)
	<u>24,452</u>	<u>18,327</u>	<u>22,014</u>	<u>15,844</u>
Prepayments	39,970	33,306	39,620	33,012
Related party receivables	-	-	2,554	1,061
Other receivables	6,128	4,128	6,045	4,039
Contract asset	10,278	9,210	9,940	8,770
Total current receivables	<u>80,828</u>	<u>64,971</u>	<u>80,173</u>	<u>62,726</u>
Non-current				
Deferred government benefit for superannuation 31(d)	285,844	307,759	285,844	307,759
Other receivables	403	346	-	-
Total non-current receivables	<u>286,247</u>	<u>308,105</u>	<u>285,844</u>	<u>307,759</u>
Total receivables	<u>367,075</u>	<u>373,076</u>	<u>366,017</u>	<u>370,485</u>

Accounting Policy**Classification and measurement**

Trade receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as debt instruments at amortised cost. Trade receivables are generally due for settlement within 30 days of the date of invoice. The carrying value less provision for impairment is a reasonable approximation of their fair values due to the short-term nature of trade receivables.

Impairment

For trade receivables and contract assets the Group applies a simplified approach in calculating expected credit losses. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Continued economic challenges including high inflation and political tension worldwide continues to cause increased uncertainty and potential for the impairment of assets. The Group has considered these ongoing challenges and uncertainty and the impact of these events on the modelling of expected credit losses which are the subject of higher scrutiny during this period.

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12. Trade and Other Receivables (continued)

Set out below is the movement in the allowance for expected credit losses of trade receivables:

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
At 1 January	1,207	1,054	1,171	1,038
Provision for expected credit losses	1,736	1,207	1,729	1,171
Write-off	(534)	(924)	(530)	(924)
Unused amount reversed	(673)	(130)	(641)	(114)
At 31 December	1,736	1,207	1,729	1,171

Information about the credit exposures are disclosed in Note 29 Financial Risk Management.

13. Other Financial Assets

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Current				
Other financial assets at amortised cost	117,071	112,567	112,000	111,000
Total current other financial assets	117,071	112,567	112,000	111,000
Non-Current				
Other financial assets at fair value through other comprehensive income ^(a)	9,920	763	9,920	763
Other financial assets at fair value through profit and loss	511,612	499,871	511,698	499,957
Total non-current other financial assets	521,532	500,634	521,618	500,720
Total other financial assets	638,603	613,201	633,618	611,720

Changes in fair values of other financial assets at fair value through profit or loss are recorded in investment income in the income statement (Note 4). Changes in fair values of other financial assets at fair value through other comprehensive income are recorded in reserves in the statement of changes in equity (Note 27(a)).

(a) Equity instruments elected to be at fair value through other comprehensive income

In 2024, The University has amended its accounting treatment for AARNet Pty Ltd and UniProjects Pty Ltd. The valuation of these equity investments has moved from cost to fair value reflecting a \$9.1M increase in Other financial asset at fair value through other comprehensive income.

Equity investments at designated fair value through other comprehensive income include shares in Education Australia Ltd. (EAL). The equity adjustment in other comprehensive income for 2023 reflects the revaluation of the University's shareholding in EAL. There were no disposals of other financial assets through other comprehensive income during the year.

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13. Other Financial Assets (continued)

Accounting Policy

Financial assets

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Restricted other financial assets

As at 31 December 2024, the Group held financial assets subject to restrictions of \$110.6 million (2023: \$108.2 million). These amounts relate to donations and bequests from donors for the purpose of funding scholarships, prizes, foundations and endowments and funds required to meet the cost of the Group's liability under superannuation schemes.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Other financial assets at amortised costs
- Other financial assets at fair value through other comprehensive income
- Other financial assets at fair value through profit or loss

Financial assets at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the Effective Interest Rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade receivables, and loans to related parties.

Financial assets at fair value through other comprehensive income

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the income statement and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

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13. Other Financial Assets (continued)

Accounting Policy (continued)

Investments in equity instruments designated at fair value through other comprehensive income

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB132 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as investment income in the income statement when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss (including designated)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the income statement.

This category includes listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as investment income in the income statement when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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FOR THE YEAR ENDED 31 DECEMBER 2024

	Capital Works in Progress \$'000	Land \$'000	Buildings \$'000	Plant & Equipment \$'000	Artwork and Libraries \$'000	Infrastructure \$'000	Total Owned Assets \$'000	Right of Use Assets \$'000	Total \$'000
Parent									
As at 1 January 2023	46,124	140	25,503	184,684	2,729	1,641	260,821	30,648	291,469
- Cost	-	86,500	912,601	-	-	100,035	1,099,136	-	1,099,136
- Valuation	-	-	-	-	-	-	-	-	-
Accum' depreciation and impairment	-	-	(38,573)	(112,041)	-	(4,055)	(154,669)	(3,498)	(158,167)
Net book amount	46,124	86,640	899,531	72,643	2,729	97,621	1,205,288	27,150	1,232,438
Year ended 31 December 2023									
Opening net book amount	46,124	86,640	899,531	72,643	2,729	97,621	1,205,288	27,150	1,232,438
Additions	53,566	-	-	8,508	143	-	62,217	1,906	64,123
Disposals	-	(265)	(685)	(686)	-	(27)	(1,663)	-	(1,663)
Transfers to held for sale	-	199	686	-	-	-	885	-	885
Transfers	(46,890)	8	19,541	21,173	-	6,920	752	-	752
Revaluation increment/(decrement)	-	1,843	43,293	(12,627)	-	4,711	49,847	-	49,847
Depreciation charge	-	-	(31,326)	-	-	(5,142)	(49,095)	(2,993)	(52,088)
Impairment charge	(1,289)	-	-	(1)	-	-	(1,290)	-	(1,290)
Closing net book amount	51,511	88,425	931,040	89,010	2,872	104,083	1,266,941	26,063	1,293,004
As at 31 December 2023									
- Cost	51,511	-	29,053	200,391	2,872	3,868	287,695	32,554	320,249
- Valuation	-	88,425	941,297	-	-	105,351	1,135,073	-	1,135,073
Accum' depreciation and impairment	-	-	(39,310)	(111,381)	-	(5,136)	(155,827)	(6,491)	(162,318)
Net book amount	51,511	88,425	931,040	89,010	2,872	104,083	1,266,941	26,063	1,293,004
Year ended 31 December 2024									
Opening net book amount	51,511	88,425	931,040	89,010	2,872	104,083	1,266,941	26,063	1,293,004
Additions	82,566	-	-	4,553	-	-	87,119	2,071	89,190
Disposals	-	-	(33)	(83)	-	(14)	(130)	-	(130)
Transfers	(40,976)	1,760	29,011	15,376	-	(5,106)	65	-	65
Revaluation increment/(decrement)	-	1,831	74,480	-	-	7,438	83,749	-	83,749
Re-measurement of lease liability	-	-	-	-	-	-	-	5,619	5,619
Depreciation charge	-	-	(33,702)	(14,354)	-	(5,160)	(53,216)	(3,072)	(56,288)
Impairment charge	(356)	-	-	(326)	-	-	(682)	-	(682)
Closing net book amount	92,745	92,016	1,000,796	94,176	2,872	101,241	1,383,846	30,681	1,414,527
As at 31 December 2024									
Cost	92,745	58	1,595	206,317	2,872	138	303,725	37,662	341,387
Fair value	-	91,958	1,020,212	-	-	103,757	1,215,927	-	1,215,927
Accum' depreciation and impairment	-	-	(21,011)	(112,141)	-	(2,654)	(135,806)	(6,981)	(142,787)
Net book amount	92,745	92,016	1,000,796	94,176	2,872	101,241	1,383,846	30,681	1,414,527

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FOR THE YEAR ENDED 31 DECEMBER 2024

	Capital Works in Progress \$'000	Land \$'000	Buildings \$'000	Plant & Equipment \$'000	Artwork and Libraries \$'000	Infrastructure \$'000	Total \$'000	Right of Use Assets \$'000	Total \$'000
Consolidated As at 1 January 2023									
- Cost	46,238	140	33,210	187,419	2,729	1,642	271,378	4,683	276,061
- Valuation	-	86,500	912,601	-	-	100,035	1,099,136	30,648	1,129,784
Accum' depreciation and impairment	-	-	(21,813)	(114,313)	-	(3,398)	(139,524)	(4,848)	(144,372)
Net book amount	46,238	86,640	923,998	73,106	2,729	98,279	1,230,990	30,483	1,261,473
Year ended 31 December 2023									
Opening net book amount	46,238	86,640	923,998	73,106	2,729	98,279	1,230,990	30,483	1,261,473
Additions	53,658	-	462	8,678	143	-	62,941	2,950	65,891
Disposals	-	(265)	(686)	(702)	-	(27)	(1,680)	(123)	(1,803)
Transfers to held for sale	-	199	686	-	-	-	885	-	885
Transfers	(47,052)	8	19,216	21,632	-	6,920	724	-	724
Revaluation increment/(decrement)	-	1,843	45,548	-	-	5,847	53,238	-	53,238
Depreciation charge	-	-	(31,681)	(12,758)	-	(5,142)	(49,581)	(3,750)	(53,331)
Impairment charge	(1,289)	-	-	(1)	-	-	(1,290)	-	(1,290)
Effect of foreign currency translation	-	-	6	1	-	-	7	118	125
Closing net book amount	51,555	88,425	957,549	89,956	2,872	105,877	1,296,234	29,678	1,325,912
As at 31 December 2023									
- Cost	51,555	-	38,802	203,609	2,872	5,005	301,843	34,526	336,369
- Valuation	-	89,085	941,297	-	-	105,351	1,135,733	-	1,135,733
Accum' depreciation and impairment	-	(660)	(22,550)	(113,653)	-	(4,479)	(141,342)	(4,848)	(146,190)
Net book amount	51,555	88,425	957,549	89,956	2,872	105,877	1,296,234	29,678	1,325,912
Year ended 31 December 2024									
Opening net book amount	51,555	88,425	957,549	89,956	2,872	105,877	1,296,234	29,678	1,325,912
Additions	85,264	-	957,549	4,700	-	-	89,964	2,071	92,035
Disposal	-	-	(33)	(83)	-	(14)	(130)	-	(130)
Transfers to held for sale	(54)	-	-	(13)	-	-	(67)	-	(67)
Transfers	(42,357)	1,760	30,360	15,409	-	(5,106)	66	-	66
Revaluation increment/(decrement)	-	1,831	71,167	-	-	7,438	80,436	-	80,436
Re-measurement of lease liability	-	-	-	-	-	-	-	5,925	5,925
Depreciation charge	-	-	(34,414)	(14,558)	-	(5,160)	(54,132)	(3,864)	(57,996)
Impairment charge	(356)	-	-	(330)	-	-	(686)	-	(686)
Effect of foreign currency translation	-	-	40	8	-	-	48	124	172
Closing net book amount	94,052	92,016	1,024,669	95,089	2,872	103,035	1,411,733	33,934	1,445,667
As at 31 December 2024									
Cost	94,052	58	32,401	208,780	2,872	1,275	339,438	43,682	383,130
Fair value	-	91,958	1,020,212	-	-	103,757	1,215,927	-	1,215,927
Accum' depreciation and impairment	-	-	(27,944)	(113,691)	-	(1,997)	(143,632)	(9,758)	(153,390)
Net book amount	94,052	92,016	1,024,669	95,089	2,872	103,035	1,411,733	33,934	1,445,667

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

14. Property, Plant and Equipment (continued)

(a) Valuations of Land, Building and Infrastructure Assets

The University's land, building and infrastructure assets were revalued at 30 June 2024 by independent valuers CBRE Valuations Pty Limited. Valuations for land were made on the basis of sales evidence and is the estimated amount for which an asset should exchange on the valuation date between a willing buyer and seller in an arm's length transaction, after proper marketing and where the parties have acted knowledgeably, prudently and without compulsion. Buildings and infrastructure, which are of a specialised educational nature and rarely sold in the open market, were valued using industry construction rates adjusted for estimated useful lives and proprietary data of the valuation expert.

As part of the implementation of AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*, the University reassessed the fair value of its non-financial assets. This resulted in an increase of \$24.2 million in asset revaluation at the parent entity level, with no impact at the group level.

The revaluation increments have been credited to an asset revaluation reserve in equity.

(b) Non-current Assets Classified as Held for Sale

At 31 December 2024, there is \$67k of property, plant and equipment assets were classified as held for sale (2023: nil). Non-current assets held for sale are carried at the lower of the carrying amount or the fair value less costs to sell.

Accounting Policy

Land, buildings and infrastructure are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings and infrastructure. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the carrying amount is adjusted to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset class are also recognised in other comprehensive income to the extent of the remaining reserve attributable to the asset class. All other decreases are charged to the income statement.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Construction work in progress

Construction work in progress is stated at the aggregate of contract costs incurred to date plus recognised profits less recognised losses and progress billings. If there are contracts where progress billings exceed the aggregate costs incurred plus profits less losses, the net amounts are presented under other liabilities.

Contract costs include all costs directly related to specific contracts, costs that are specifically chargeable to the customer under the terms of the contract and costs that are attributable to contract activity in general and can be allocated to the contract.

Impairment of Assets

All non-current tangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts might not be recoverable. The valuation of land, buildings and infrastructure has considered the impact of the economic challenges on the land values and fair value assumptions used to value buildings and infrastructure. In addition to valuations, the Group has reviewed the useful life of building and infrastructure assets and changes in use as a result of economic conditions. Plant and equipment items were considered in light of changes applied by the Group in managing the current economic conditions.

Refer to Note 9 for details of impairment recognised by the Group in 2024.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

14. Property, Plant and Equipment (continued)

Right-of-use assets Buildings	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
At 1 January	27,567	29,319	25,118	27,097
Additions of right-of-use assets	1,454	1,871	1,454	827
Depreciation charge	(3,493)	(3,500)	(2,713)	(2,806)
Re-measurement of lease liability	5,925	-	5,619	-
Other movements	124	(123)	-	-
At 31 December	31,577	27,567	29,478	25,118

Right-of-use assets Equipment	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
At 1 January	2,111	1,164	945	53
Additions of right-of-use assets	617	1,079	617	1,079
Depreciation charge	(371)	(250)	(359)	(187)
Other movements	-	118	-	-
At 31 December	2,357	2,111	1,203	945

Concessionary leases

The Group has elected to measure the following leases right-of-use assets at initial recognition at cost in accordance with AASB16.23–25. The balance of right-of-use assets are not illustrated as they are not material to the Group.

Buildings	Permitted Use	Lease Term (Year)	Annual Rent (\$)
Tamworth Base Hospital	Conduct of a University Department of Rural Health (UDRH) and for purposes reasonably incidental thereto to the satisfaction of the Minister and Secretary including the hosting of corporate functions and events	25	1
Ray Watt Oval & Pavilion	Open space purposes and games of sport	50	1
University of Newcastle Central Coast Clinical School and Central Coast Research Institute	Medical teaching and research	40	-

Accounting Policy

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The Group assesses whether:

- The contract involves the use of an identified asset – The asset may be explicitly or implicitly specified in the contract. A capacity portion of larger assets is considered an identified asset if the portion is physically distinct or if the portion represents substantially all of the capacity of the asset. The asset is not considered an identified asset, if the supplier has the substantive right to substitute the asset throughout the period of use.
- The customer has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

14. Property, Plant and Equipment (continued)

Accounting Policy (continued)

c. The customer has the right to direct the use of the asset throughout the period of use – The customer is considered to have the right to direct the use of the asset only if either:

- i. The customer has the right to direct how and for what purpose the identified asset is used throughout the period of use; or
- ii. The relevant decisions about how and for what purposes the asset is used is predetermined and the customer has the right to operate the asset, or the customer designed the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

Accounting for leases – the Group as lessee

In contracts where The Group is a lessee, The Group recognises a right-of-use asset and a lease liability at the commencement date of the lease, unless the short-term or low-value exemption is applied.

Right-of-use assets

Right-of-use assets are initially measured at cost comprising the initial measurement of the lease liability adjusted for any lease payments made before the commencement date (reduced by lease incentives received), plus initial direct costs incurred in obtaining the lease and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

A right-of-use asset associated with land and buildings is subsequently measured at cost. All other property, plant and equipment are measured as described in the accounting policy for property, plant and equipment in Note 14.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

15. Intangible Assets

Parent	Computer Software \$'000	Intellectual Property \$'000	Work in Progress \$'000	Total \$'000
As at 1 January 2023				
Cost	32,042	2,326	1,326	35,694
Accumulated depreciation and impairment	(20,436)	(898)	-	(21,334)
Net book amount	11,606	1,428	1,326	14,360
Year ended 31 December 2023				
Opening net book amount	11,606	1,428	1,326	14,360
Additions	54	400	6,268	6,722
Disposal	-	(45)	-	(45)
Transfers	-	-	(752)	(752)
Amortisation charge	(5,646)	(128)	-	(5,774)
Impairment charge	(33)	(16)	(47)	(96)
Closing net book amount	5,981	1,639	6,795	14,415
As at 31 December 2023				
Cost	28,934	2,681	6,795	38,410
Accumulated depreciation and impairment	(22,953)	(1,042)	-	(23,995)
Net book amount	5,981	1,639	6,795	14,415
Year ended 31 December 2024				
Opening net book amount	5,981	1,639	6,795	14,415
Additions	-	703	25,142	25,845
Disposal	(4)	-	-	(4)
Transfers	2,013	1	(2,083)	(69)
Amortisation charge	(4,369)	(156)	-	(4,525)
Impairment charge	(5)	(302)	(40)	(347)
Closing net book amount	3,616	1,885	29,814	35,315
As at 31 December 2024				
Cost	30,944	3,384	29,853	64,181
Accumulated depreciation and impairment	(27,328)	(1,499)	(39)	(28,866)
Net book amount	3,616	1,885	29,814	35,315

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

15. Intangible Assets (continued)

Consolidated	Computer Software \$'000	Intellectual Property \$'000	Work in Progress \$'000	Total \$'000
As at 1 January 2023				
Cost	32,105	2,541	1,326	35,972
Accumulated amortisation and impairment	<u>(20,499)</u>	<u>(1,113)</u>	<u>-</u>	<u>(21,612)</u>
Net book amount	11,606	1,428	1,326	14,360
Year ended 31 December 2023				
Opening net book amount	11,606	1,428	1,326	14,360
Additions	54	401	6,290	6,745
Disposals	-	(46)	-	(46)
Transfers	28	-	(752)	(724)
Amortisation	(5,654)	(128)	-	(5,782)
Impairment	<u>(33)</u>	<u>(16)</u>	<u>(47)</u>	<u>(96)</u>
Closing net book amount	6,001	1,639	6,817	14,457
As at 31 December 2023				
Cost	29,017	2,896	6,864	38,777
Accumulated amortisation and impairment	<u>(23,016)</u>	<u>(1,257)</u>	<u>(47)</u>	<u>(24,320)</u>
Net book amount	6,001	1,639	6,817	14,457
Year ended 31 December 2024				
Opening net book amount	6,001	1,639	6,817	14,457
Addition	-	703	25,158	25,861
Disposals	(4)	-	-	(4)
Transfers	2,013	1	(2,083)	(69)
Amortisation	(4,378)	(156)	-	(4,534)
Impairment	<u>(5)</u>	<u>(302)</u>	<u>(40)</u>	<u>(347)</u>
Closing net book amount	3,627	1,885	29,852	35,364
As at 31 December 2024				
Cost	31,027	3,599	29,938	64,564
Accumulated amortisation and impairment	<u>(27,400)</u>	<u>(1,714)</u>	<u>(86)</u>	<u>(29,200)</u>
Net book amount	3,627	1,885	29,852	35,364

Accounting Policy

Intangible assets internally generated and acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intellectual Property

Expenditure on intellectual property, being the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or services before the start of commercial production or use, is capitalised if the product or service is technically and commercially feasible and adequate resources are available to complete development. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other intellectual property expenditure is recognised in the income statement as an expense, when it is incurred. Capitalised expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over the period of the expected benefit, which varies from 2 to 22 years.

Computer Software

Expenditure on software, being software that is not an integral part of the related hardware, is capitalised. Capitalised expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over the period of the expected benefit, to a maximum of 5 years.

Internally-generated software is capitalised only when the amounts are greater than the Group's capitalisation threshold and they satisfy the conditions for capitalisation. Internal-use software is recognised at cost and amortised over the useful life of up to 5 years.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

15. Intangible Assets (continued)

Accounting Policy (continued)

Disposal

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Research

Expenditure on research activities is recognised in the income statement as an expense when it is incurred.

Development

Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate; technical feasibility, intention to complete, future economic benefits can be realised and the expenditure can be reliably measured during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in profit or loss. During the period of development, the asset is tested for impairment annually.

Impairment Tests and Key Assumptions

The Group undertakes annual assessment of impairment for intangible assets in line with ASSB 136 *Impairment of Assets*. In addition, the Group has continued to apply additional tests to consider current economic factors on the use and value of intangible assets. The results of impairment testing have informed impairment calculations and the overall amount of intangible asset impairment for the year.

The Group has recognised impairment of a small number of intangible assets in 2024, as follows:

- IP Assets – the University determined that a number of patents were abandoned in 2024. A total impairment of \$0.2 million (2023: \$0.1million) has been recognised.
- IT Software – the University identified several IT Software assets which were no longer in use in 2024. There has been no impairment (2023: \$0.1million) recognised.

Software-as-a-Service arrangements

SaaS arrangements are arrangements in which the Group does not control the underlying software used in the arrangement.

Where costs incurred to configure or customise SaaS arrangements result in the creation of a resource which is identifiable, and where the Group has the power to obtain the future economic benefits flowing from the underlying resource and to restrict the access of others to those benefits, such costs are recognised as a separate intangible software asset and amortised over the useful life of the software on a straight-line basis. The amortisation period is reviewed at least at the end of each reporting period and any changes are treated as changes in accounting estimates.

Where costs incurred to configure or customise do not result in the recognition of an intangible software asset, then those costs that provide the Group with a distinct service (in addition to the SaaS access) are recognised as expenses when the supplier provides the services. When such costs incurred do not provide a distinct service, the costs are capitalised as a prepayment and are recognised as expenses over the duration of the SaaS contract. Previously some costs had been capitalised and amortised over its useful life. In the process of applying the Group's accounting policy on configuration and customisation of costs incurred in implementing SaaS arrangements, management has made following judgements which have the most significant effect on the amounts recognised in the consolidated financial statements.

Determining whether cloud computing arrangements contain a software licence intangible asset

The Group evaluates cloud computing arrangements to determine if it provides a resource that the Group can control. The Group determines that a software licence intangible asset exists in a cloud computing arrangement when both of the following are met at the inception of the arrangement:

- The Group has the contractual right to take possession of the software during the hosting period without significant penalty.
- It is feasible for the Group to run the software on its own hardware or contract with another party unrelated to the supplier to host the software.

Capitalisation of configuration and customisation costs in SaaS arrangements

Where the Group incurs costs to configure or customise SaaS arrangements and such costs are considered to enhance current on-premise software or provide code that can be used by the Group in other arrangements, the Group applies judgement to assess

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15. Intangible Assets (continued)

Accounting Policy (continued)

whether such costs result in the creation of an intangible asset that meets the definition and recognition criteria in AASB138 *Intangible Assets*. For the year ended 31 December 2024 there is nil (2023: \$0.1 million) costs incurred in implementing SaaS arrangements were recognised as intangible assets.

16. Trade and Other Payables

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Current				
Unsecured liabilities				
OS-HELP liability to Australian Government	6,959	4,258	6,959	4,258
Trade payables	41,080	55,118	39,530	52,894
Related party payables	-	-	6,659	6,871
Contract liability	-	-	-	-
Government grant payable	9,297	-	9,297	-
Other payables	8,076	14,594	7,039	13,801
Total current trade and other payables	65,412	73,970	69,484	77,824

Accounting Policy

Trade and other payments represent liabilities for unpaid goods and services provided to the Group as at the end of the financial year. The amounts are unsecured and are usually paid within 30 days of recognition.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Where a customer makes payment in advance of the Group transferring goods or services, a contract liability is recognised. Contract liabilities are recognised as revenue when services required by the contract have been performed.

Foreign currency risk

The carrying amounts of the Group's and parent entity's trade and other payables are denominated in the following currencies:

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Australian Dollars	56,231	192,530	56,222	196,691
Euros	33	56	33	56
Great British Pounds	-	85	-	85
Singaporean Dollars	2,134	1,004	2,134	-
US Dollars	68	496	68	496
	58,466	194,171	58,457	197,328

For additional information regarding analysis of the sensitivity of trade and other payables to foreign currency risk: Note 29. Financial Risk Management.

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FOR THE YEAR ENDED 31 DECEMBER 2024

17. Borrowings

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Current				
Lease liability	2,941	3,336	2,053	2,609
Secured bank loans	5,000	-	5,000	-
Total current borrowings	7,941	3,336	7,053	2,609
Non-Current				
Lease liability	8,983	3,934	7,981	2,433
Total non-current borrowings	8,983	3,934	7,981	2,433
Total Borrowings	16,924	7,270	15,034	5,042
Unrestricted access was available at reporting date to the following lines of credit:				
Loan facilities				
Total facilities	80,000	80,000	80,000	80,000
Used at balance date	(5,000)	-	(5,000)	-
Unused at balance date	75,000	80,000	75,000	80,000
Credit card facilities				
Total facilities	10,250	10,220	10,000	10,000
Used at balance date	-	(1,418)	-	(1,342)
Unused at balance date	10,250	8,802	10,000	8,658
Bank overdraft facilities				
Total facilities	10,000	10,000	10,000	10,000
Unused at balance date	10,000	10,000	10,000	10,000

Accounting Policy

Borrowings are initially recognised at fair value, net of transaction costs incurred and subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as prepayments and amortised on straight-line basis over the term of the facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period and does not expect to settle the liability for at least 12 months after the end of the reporting period.

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17.1 University as Lessee

Amounts recognised in the income statement	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Interest on lease liabilities	204	208	150	143
Expenses relating to short-term leases	181	146	-	-
Expenses relating to leases of low-value assets, excluding short term leases of low-value assets	3,774	4,395	3,735	4,369
	<u>4,159</u>	<u>4,749</u>	<u>3,885</u>	<u>4,512</u>

Maturity analysis - undiscounted contractual cash flows	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Less than one year	3,310	3,721	2,145	2,733
One to five years	11,459	4,522	10,162	2,523
More than five years	-	10	-	10
Total undiscounted contractual cash flows	<u>14,769</u>	<u>8,253</u>	<u>12,307</u>	<u>5,266</u>
Current	2,941	3,336	2,053	2,609
Non-current	8,983	3,934	7,981	2,433
Lease liabilities recognised in the statement of financial position	<u>11,924</u>	<u>7,270</u>	<u>10,034</u>	<u>5,042</u>

Accounting Policy**Lease liabilities – The Group as lessee**

Policy on assessment of whether a contract is, or contains, a lease is detailed in Note 14.

Lease liability

A lease liability is initially measured at the present value of unpaid lease payments at the commencement date of the lease. To calculate the present value, the unpaid lease payments are discounted using the interest rate implicit in the lease if the rate is readily determinable. If the interest rate implicit in the lease cannot be readily determined, the incremental borrowing rate at the commencement date of the lease is used. Lease payments included in the measurement of lease liabilities comprise:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (e.g. payments varying on account of changes in CPI);
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Subsequently, the lease liability is measured at amortised cost using the effective interest rate method resulting in interest expense being recognised as a borrowing cost in the income statement. The lease liability is remeasured when there are changes in future lease payments arising from a change in an index or rate with a corresponding adjustment to the right-of-use asset. The adjustment amount is factored into depreciation of the right-of-use asset prospectively.

Right-of-use assets are presented within Note 14 and lease liabilities are presented as borrowings in Note 17.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

17.1. University as Lessee (continued)

Accounting Policy (continued)

Nature of leasing activities

The Group's leasing activities include buildings, plant and equipment as well as motor vehicles.

Buildings – The Group leases buildings to support its operations. Lease terms vary between fixed and variable (on account of CPI) depending on the individual arrangements with landlords.

Plant and Equipment – The Group leases electronic equipment including computers and printers, typically with fixed lease payment terms.

Motor Vehicles – The Group leases motor vehicles to support its operations, typically with fixed lease payment terms.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases i.e. leases with a lease term of 12 months or less and leases of low-value assets i.e., when the value of the leased asset when new is \$10,000 or less. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

18. Provisions

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Current provisions expected to be settled within 12 months				
Employee benefits				
Annual leave	29,165	25,532	28,292	24,822
Long service leave	14,991	14,112	14,850	14,059
Contract severance	2,217	2,062	2,217	2,062
Defined benefit obligation	2,263	2,274	2,263	2,274
Other employee provisions	1,295	940	1,183	940
Redundancy	1,343	4,289	1,343	4,289
	<u>51,274</u>	<u>49,209</u>	<u>50,148</u>	<u>48,446</u>
Current provisions expected to be settled after more than 12 months				
Employee benefits				
Annual leave	9,033	8,105	8,830	7,830
Long service leave	52,931	51,014	52,368	50,344
	<u>61,964</u>	<u>59,119</u>	<u>61,198</u>	<u>58,174</u>
Total current provisions	<u>113,238</u>	<u>108,328</u>	<u>111,346</u>	<u>106,620</u>
Non-current provisions				
Employee benefits				
Long service leave	14,661	15,996	14,323	15,760
Provision for employee benefits	20,124	21,180	20,124	21,180
Defined benefit obligation	31(d) 285,844	307,759	285,844	307,759
Total non-current provisions	<u>320,629</u>	<u>344,935</u>	<u>320,291</u>	<u>344,699</u>
Total provisions	<u>433,867</u>	<u>453,263</u>	<u>431,637</u>	<u>451,319</u>

Accounting Policy

Provisions for redundancies and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate pre-tax used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a *finance cost*.

(i) Short-term obligations

Liabilities for short-term employee benefits including wages and salaries, non-monetary benefits and profit-sharing bonuses are measured at the amount expected to be paid when the liability is settled, if it is expected to be settled wholly before 12 months after the end of the reporting period and is recognised in other payables. Expenses for non-accumulating sick leave are recognised when the leave is taken and measured at the rates payable.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

18. Provisions (continued)

Accounting Policy (continued)

(ii) Other long-term obligations

The liability for other long-term benefits are those that are not expected to be settled wholly before twelve months after the end of the annual reporting period. Other long-term employee benefits include such things as annual leave, accumulating sick leave and long service leave liabilities.

It is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. 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 reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

(iii) Retirement benefit obligations

All employees of the Group are entitled to benefits on retirement, disability or death from the Group's superannuation plan. The Group has a defined benefit section and a defined contribution section within its plan. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from Group companies and the Group's legal or constructive obligation is limited to these contributions. The employees of the parent entity are all members of the defined contribution and defined benefit section of the Group's plan.

A liability or asset in respect of defined benefit superannuation plans is recognised in the statement of financial position and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the superannuation fund's assets at that date. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. 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 reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the statement of financial position.

Past service costs are recognised in profit or loss at the earlier of the following dates:

- (a) when the plan amendment or curtailment occurs
- (b) when the entity recognises related restructuring costs or termination benefits.

Contributions to the defined contribution section of the Group's superannuation fund and other independent defined contribution superannuation funds are recognised as an expense as they become payable.

(iv) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The Group recognises the expense and liability for termination benefits either when it can no longer withdraw the offer of those benefits or when it has recognised costs for restructuring within the scope of AASB137 that involves the payment of termination benefits. The expense and liability are recognised when the Group is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits are measured on initial recognition and subsequent changes are measured and recognised in accordance with the nature of the employee benefit. Benefits expected to be settled wholly within 12 months are measured at the undiscounted amount expected to be paid. Benefits not expected to be settled before 12 months after the end of the reporting period are discounted to present value.

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19. Other Liabilities

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Current				
Income received in advance	<u>163,966</u>	<u>157,234</u>	<u>160,197</u>	<u>156,212</u>
Total current other liabilities	<u>163,966</u>	<u>157,234</u>	<u>160,197</u>	<u>156,212</u>

20. Key Management Personnel Disclosures**(a) Names of Responsible Persons and Executive Officers**

The following persons were responsible persons and executive officers of the Group during the financial year:

Professor Alex Zelinsky AO
 Ms Annika Westrenius - appointed 01/09/2024
 Associate Professor Brendan Boyle
 Mr Jacob Carson
 Mr Jason Darney
 Ms Jennifer Leslie
 The Hon. Dr John Della Bosca AM - appointed 21/10/2024
 Professor Jennifer Martin - resigned 31/08/2024
 Ms Julie Phillips
 Mr Kevin Young
 Ms Liz Nicol
 Professor Michael Di Rienzo
 Ms Michelle McPherson
 Mr Noel Cornish AM
 The Hon Patricia Forsythe AM
 Ms Shireen Syed - appointed 02/05/2024
 Professor Tania Sourdin - resigned 31/12/24

(b) Other Key Management Personnel

The following persons were members of the Executive Committee of the University of Newcastle and as such had authority and responsibility for planning, directing and controlling the activities of the Group during the financial year:

Professor Alex Zelinsky AO
 Professor Craig Simmons
 Mr David Toll
 Ms Dianne Allen
 Professor Elizabeth Sullivan
 Professor Jennifer Milam -resigned 30/10/2024
 Mr Joel Palmer
 Professor Kent Anderson
 Professor Kathleen Butler- resigned 19/05/2024
 Professor Kerri-Lee Krause – appointed 21/10/2024
 Professor Mark Hoffman
 Professor Mike Bowyer
 Mr Martin Sainsbury
 Mr Nathan Towney
 Mr Paul McCubbin – appointed 15/07/2024
 Professor Robert Greenberg -appointed 20/05/2024
 Professor Tania Sourdin- resigned 31/12/2024
 Professor Zee Upton

THE UNIVERSITY OF NEWCASTLE

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FOR THE YEAR ENDED 31 DECEMBER 2024

20. Key Management Personnel Disclosures (continued)**(c) Remuneration of Board Members and Executives**

	Consolidated		Parent	
	2024	2023	2024	2023
Remuneration of council members				
Nil to \$9,999	3	3	3	3
\$10,000 to \$19,999	5	6	5	6
\$20,000 to \$29,999	2	1	2	1
\$40,000 to \$49,999	1	1	1	1
\$50,000 to \$59,999	1	-	1	-
\$150,000 to \$159,999	-	1	-	1
\$190,000 to \$199,999	2	-	2	-
\$210,000 to \$219,999	-	1	-	1
\$220,000 to \$229,999	1	-	1	-
\$270,000 to \$279,999	-	1	-	1
\$340,000 to \$349,000	-	1	-	1
\$500,000 to \$510,000	1	-	1	-
\$970,000 to \$979,999	-	1	-	1
\$1,020,000 to \$1,029,999	1	-	1	-
	<u>17</u>	<u>16</u>	<u>17</u>	<u>16</u>
Remuneration of executive officers				
\$80,000 to \$89,999	1	-	1	-
\$110,000 to \$119,999	1	-	1	-
\$150,000 to \$159,999	1	-	1	-
\$210,000 to \$219,999	-	1	-	1
\$270,000 to \$279,999	1	1	1	1
\$280,000 to \$289,999	1	1	1	1
\$290,000 to \$299,999	1	-	1	-
\$320,000 to \$329,999	1	2	1	2
\$340,000 to \$349,999	1	1	1	1
\$350,000 to \$359,999	1	-	1	-
\$380,000 to \$389,999	-	1	-	1
\$400,000 to \$409,999	-	1	-	1
\$420,000 to \$429,999	-	1	-	1
\$430,000 to \$439,999	1	-	1	-
\$450,000 to \$459,999	-	1	-	1
\$460,000 to \$469,999	-	1	-	1
\$470,000 to \$479,999	1	1	1	1
\$480,000 to \$489,999	1	-	1	-
\$500,000 to \$509,999	1	-	1	-
\$530,000 to \$539,999	-	2	-	2
\$540,000 to \$549,999	-	1	-	1
\$560,000 to \$569,999	2	-	2	-
\$590,000 to \$599,999	1	-	1	-
\$670,000 to \$679,999	-	1	-	1
\$680,000 to \$689,999	1	-	1	-
\$970,000 to \$979,999	-	1	-	1
\$1,020,000 to \$1,029,999	1	-	1	-
	<u>18</u>	<u>17</u>	<u>18</u>	<u>17</u>

Remuneration bands for the Vice-Chancellor and President of Academic Senate appear in both tables in Note 20(c) as these positions are members of both Council and Executive Committee.

(d) Key Management Personnel Compensation

	Consolidated		Parent	
	2024	2023	2024	2023
	'000	'000	'000	'000
Short-term employee benefits	7,077	7,333	7,077	7,333
Post-employment benefits	1,042	1,108	1,042	1,108
Termination benefits	299	45	299	45
Total key management personnel compensation	<u>8,418</u>	<u>8,486</u>	<u>8,418</u>	<u>8,486</u>

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21. Remuneration of Auditors

	Consolidated		Parent	
	2024	2023	2024	2023
	\$	\$	\$	\$
Audit the Financial Statements				
Audit Office of NSW	514,100	549,150	359,000	398,500
BDO Singapore	20,973	17,934	-	-
Total paid for audit	535,073	567,084	359,000	398,500

During the year the following fees were paid for services provided by the auditors of the Parent Entity, its related practices and non-related audit firms:

	Consolidated		Parent	
	2024	2023	2024	2023
	\$	\$	\$	\$
Other services				
Bentleys MRI	3,425	1,835	3,425	1,835
Ernst and Young	554,675	665,343	554,675	665,343
Pitcher Partners	11,700	11,000	11,700	11,000
Total paid for other services	569,800	667,178	569,800	667,178

Ernst & Young audit costs relate to internal audit services provided.

Bentleys MRI provide audit services for funding acquittals.

Pitcher Partners completed audit of the Higher Education Research Data Collection (HERDC) return.

22. Fair Value Measurement**(a) Fair Value Measurements**

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Due to the short-term nature of the cash and cash equivalents and current receivables, their carrying value approximates their fair value and based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due. Similarly, the carrying value of trade and other payables is also expected to approximate fair value.

The carrying amounts and aggregate fair values of financial assets and liabilities at balance date are:

	Note	Carrying Amount		Fair Value	
		2024	2023	2024	2023
Consolidated		\$'000	\$'000	\$'000	\$'000
Other financial assets at fair value through other comprehensive income	13	9,920	763	9,920	763
Other financial assets at fair value through profit or loss	13	511,612	499,871	511,612	499,871
Other financial assets at amortised costs	13	117,071	112,567	117,071	112,567
Total		638,603	613,201	638,603	613,201

The Group measures and recognises the following assets and liabilities at fair value on a recurring basis:

- financial assets at fair value through profit or loss
- financial assets at fair value through other comprehensive income
- land, buildings and infrastructure.

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22. Fair Value Measurement (continued)

For additional information regarding the non-current borrowings refer to Note 17. Borrowings

(b) Fair Value Hierarchy

The Group categorises assets and liabilities measured at fair value into a hierarchy based on the level of inputs used in measurement:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- 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 Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(i) Recognised fair value measurements

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2024.

Fair value measurements at 31 December 2024

Consolidated	Note	2024 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurements					
Financial assets					
Other financial asset at fair value through other comprehensive income	13	9,920	-	-	9,920
Other financial assets at fair value through profit and loss	13	511,612	-	423,018	88,594
Other financial assets at amortised costs	13	117,071	-	117,071	-
Total financial assets		<u>638,603</u>	-	<u>540,089</u>	<u>98,514</u>
Non-financial assets					
Land and buildings					
Land	14	92,016	-	92,016	-
Buildings	14	1,024,669	-	1,102	1,023,567
Infrastructure	14	103,035	-	-	103,035
Total non-financial assets		<u>1,219,720</u>	-	<u>93,118</u>	<u>1,126,602</u>

Fair value measurements at 31 December 2023

Consolidated	Note	2023 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurements					
Financial assets					
Other financial assets at fair value through other comprehensive income	13	763	-	763	-
Other financial assets at fair value through profit and loss	13	499,871	-	414,120	85,751
Other financial assets at amortised costs	13	112,567	-	112,567	-
Total financial assets		<u>613,201</u>	-	<u>527,450</u>	<u>85,751</u>
Non-financial assets					
Land and buildings					
Land	14	88,425	-	88,425	-
Buildings	14	957,549	-	1,104	956,445
Infrastructure	14	105,877	-	-	105,877
Total non-financial assets		<u>1,151,851</u>	-	<u>89,529</u>	<u>1,062,322</u>

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year.

There were no transfers between levels 2 and 3 for recurring fair value measurements during the year.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

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22. Fair Value Measurement (continued)

(c) Valuation Techniques Used to Derive Level 2 and Level 3 Fair Values

Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and unlisted infrastructure managed funds.

The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments;
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the end of the reporting period;
- other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

Buildings and infrastructure (classified as property, plant and equipment) are assessed at least every three years. At the end of each reporting period, the Group updates their assessment of the fair value of each property, taking into account the most recent independent valuations. The Group determines the property's value within a range of reasonable fair value estimates.

The best evidence of fair values is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources, including:

- current prices in an active market for properties of a different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- discounted cash flow projections based on reliable estimates of future cash flows.
- capitalised income projections based on a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

All resulting fair value estimates for properties are included in level 3 except for vacant land, while buildings are split between both level 2 and level 3.

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22. Fair Value Measurement (continued)**(d) Fair Value Measurements Using Significant Unobservable Inputs (Level 3)**

The following table is a reconciliation of level 3 items for the periods ended 31 December 2024 and 2023.

Consolidated

Level 3 Fair Value Measurement 2024	Unlisted Shares \$'000	Unlisted Managed Funds \$'000	Infrastructure \$'000	Buildings \$'000	Total \$'000
Opening balance	-	85,751	105,877	956,445	1,148,073
Additions	-	20,575	-	-	20,575
Disposals	-	(17,218)	(14)	(33)	(17,265)
Transfers	764	450	(5,106)	30,360	26,468
Depreciation	-	-	7,438	(34,358)	(26,920)
Revaluation	9,156	(964)	(5,160)	71,113	74,145
Effect on foreign currency translation	-	-	-	40	40
Closing balance	9,920	88,594	103,035	1,023,567	1,225,116

Consolidated

Level 3 Fair Value Measurement 2023	Unlisted Shares \$'000	Unlisted Managed Funds \$'000	Infrastructure \$'000	Buildings \$'000	Total \$'000
Opening balance	-	83,770	98,279	922,196	1,104,245
Additions	-	2,569	-	462	3,031
Disposals	-	-	(27)	-	(27)
Transfers	-	-	6,920	19,904	26,824
Depreciation	-	-	(5,142)	(31,620)	(36,762)
Revaluation	-	(588)	5,847	45,497	50,756
Effect on foreign currency translation	-	-	-	6	6
Closing balance	-	85,751	105,877	956,445	1,148,073

(e) Valuation Inputs and Relationships to Fair Value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (c) above for the valuation techniques adopted.

Consolidated Description	Fair value at 31 December 2024 \$'000	Unobservable inputs*	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Buildings	1,023,567	Remaining useful life	+/- 5%	Increase term of useful life by 5% would increase fair value by \$78.8 million. Decrease term of useful life by 5% would decrease fair value by \$78.8 million
Infrastructure	103,035	Remaining useful life	+/- 5%	Increase term of useful life by 5% would increase fair value by \$12.6 million. Decrease term of useful life by 5% would decrease fair value by \$12.6 million

*There were no significant inter-relationship between unobservable inputs that materially affects fair value.

Accounting Policy**Fair Value**

The fair values of investments and other financial assets are based on quoted prices in an active market. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques that maximise the use of relevant data. These include reference to the estimated price in an orderly transaction that would take place between market participants at the measurement date. Other valuation techniques used are the cost approach and the income approach based on the characteristics of the asset and the assumptions made by market participants.

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22. Fair Value Measurement (continued)

(e) Valuation Inputs and Relationships to Fair Value (continued)

Accounting Policy (continued)

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value of assets or liabilities traded in active markets (such as equity investments) is based on quoted market prices for identical assets or liabilities at the end of the reporting period (level 1). The quoted market price used for assets held by the Group is the most representative of fair value in the circumstances within the bid-ask spread.

The fair value of assets or liabilities that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments (level 2) are used for long-term debt instruments held. Other techniques that are not based on observable market data (level 3), such as estimated discounted cash flows, are used to determine fair value for the remaining assets and liabilities. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the end of the reporting period. The level in the fair value hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Fair value measurement of non-financial assets is based on the highest and best use of the asset. The Group considers market participants use of, or purchase of, the asset to use it in a manner that would be highest and best use.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

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23. Interests in Other Entities**(a) Subsidiaries**

The Group's principal subsidiaries as at 31 December 2024 are set out below in accordance with the accounting policy described in Note 1(b). The proportion of ownership interest held by the Group equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Principal place of business	Ownership interest	
		2024 %	2023 %
The University of Newcastle Research Associates Ltd	Australia	100.00	100.00
NUServices Pty Ltd	Australia	100.00	100.00
Newcastle University Sport (NUsport)	Australia	100.00	100.00
Newcastle Australia Institute of Higher Education Pte Ltd	Singapore	100.00	100.00

(i) Significant restrictions

Cash and short-term deposits held in Singapore are subject to local exchange control regulations. These regulations provide for restrictions on exporting capital from Singapore, other than through normal dividends.

The carrying amount of the assets included within the consolidated financial statements to which these restrictions apply is \$8.6 million (2023: \$5.4 million).

(b) Interests in associates

Set out below are the associates of the Group as at 31 December 2024. The proportion of ownership interest held by the Group equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Principal place of business	Measurement method	Ownership interest/voting rights held by the Group		Carrying amount	
			2024	2023	2024	2023
			%	%	\$'000	\$'000
Hunter Medical Research Institute	Australia	Equity Method	25.00	25.00	-	-
ResTech University Innovation	Australia	Equity Method	30.00	30.00	239	198
Investment Trust No. 10	Australia	Equity method	25.00	25.00	518	595

Hunter Medical Research Institute is a company limited by guarantee, whose constitution prohibits the distribution of funds to its members. Accordingly, the carrying amount has been equity accounted at nil value and as such no financial information has been disclosed. Hunter Medical Research Institute has a 31 December reporting period.

ResTech Pty Limited is an associate acquired in 2007. For the purposes of the University's financial statements, the University's equity interest is based on the audited financial statements for the year ended 31 July 2024.

Universities Innovation Investment Trust No. 10 (UIIT No 10) was registered in October 2023. The Trust, rather than NSW Co, will be the vehicle for Uniseed making new investment in spinouts commercialising technologies from member organisations, as well as distribution of investment income. For the purposes of the University's financial statements, the University's equity interest is based on the unaudited financial statements for the year ended 31 December 2024.

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23. Interests in Other Entities (continued)**(c) Interests in joint ventures**

Set out below are the joint ventures of the Group as at 31 December 2024. The proportion of ownership interest held by the Group equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Principal place of business	Measurement method	Ownership interest/voting rights held by the Group		Carrying amount	
			2024	2023	2024	2023
			%	%	\$'000	\$'000
NUW Co Pty Ltd	Australia	Equity Method	25.00	25.00	-	-
NSWCo Pty Ltd	Australia	Equity Method	25.00	25.00	-	-

NUW Co Pty Ltd was registered in May 2019 and was formed by the NUW Alliance. The NUW Alliance Board passed a resolution in May 2024 to wind up the company. The entity was deregistered on 7th March 2025.

In November 2023 the University joined three other parties in creating NSW Co Pty Ltd, a holding company for the establishment of a unit trust in Universities Innovation Investment Trust. The holding company has made no transactions and is not expected to transact.

24. Related Parties**(a) Parent entity**

The ultimate parent entity within the Group is The University of Newcastle.

(b) Subsidiaries

Interests in subsidiaries are set out in Note 23.

(c) Key Management Personnel

Disclosures relating to Council members and executive officers are set out in Note 20.

(d) Transactions with Related Parties

The following transactions occurred with related parties:

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
i) Subsidiaries				
Sale of goods and services				
Service fees	-	-	3,604	3,172
Consultancy, consumables and others	-	-	1,083	1,521
Other revenue	-	-	79	213
Purchase of goods				
Other expenses	-	-	5,743	2,345
Other transactions				
Interest expense	-	-	1	19
Financial assistance provided	-	-	-	195
ii) Associates				
Sale of goods and services				
Consultancy and contracts	12,304	11,277	12,304	11,277
Other revenue	924	426	924	426
Purchase of goods				
Other expenses	8,401	7,641	8,401	7,641
Other transactions				
Interest income	595	-	595	-
Dividend received from Associate	4	-	4	-
iii) Joint Ventures				
Contributions	-	195	-	195

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24. Related Parties (continued)**(e) Outstanding Balances**

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Current receivables (sale of goods and services)				
Subsidiaries	-	-	1,828	2,048
Associates	72	197	72	197
Total current receivables	72	197	1,900	2,245
Current payables (purchase of goods and services)				
Subsidiaries	-	-	-	382
Associates	-	29	-	29
Total current payables	72	226	1,900	2,656
Non-current payables (other transactions)				
Subsidiaries	-	-	4,756	4,376
Total non-current payables	-	-	4,756	4,376

No provisions for impairment have been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties.

(g) Terms and Conditions of Outstanding Balances

All transactions with related parties occurred on the basis of normal commercial terms and conditions.

25. Contingencies**Contingent liabilities****(i) Bank Guarantee**

The Group has a \$1.8 million bank guarantee facility in place, predominantly being security for a rental bond which expires on 31 December 2029 (2023: \$1.8 million).

(ii) Support of NUservices Pty Ltd

The University continues to provide commitment to provide financial support to NUservices Pty Ltd in 2024 to ensure that the company has sufficient cash to pay all financial obligations as and when they fall due. The current commitment of support extends until 31 December 2025.

(iii) Combustible Cladding

In 2021 the University identified a number of buildings with combustible cladding installed. The University has continued to replace this cladding across the affected buildings in 2024 and is working with relevant Council's where required. Due to this a contingent liability may exist but the costs for the required work cannot be determined.

(iv) Workers Compensation

At 31 December 2024, the Group had \$5.7 million contingent liability related to a Loss Prevention & Recovery based Workers Compensation Insurance Policy with Employers Mutual Limited which in prior years has been a contingent asset (2023: \$0.1 million).

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25. Contingencies (continued)**(v) Legal Proceedings**

The University is currently defending a legal matter first raised in February 2025. At this time the potential outcome and value of the legal matter cannot be determined.

Accounting Policy

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

- i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

26. Reconciliation of Net Result After Income Tax to Net Cash Provided by / (used in) Operating Activities

	Consolidated		Parent	
	2024	Restated 2023	2024	Restated 2023
	\$'000	\$'000	\$'000	\$'000
Net result for the period	61,314	(327)	58,153	(4,314)
Depreciation and amortisation	62,530	59,113	60,813	57,862
Impairment of assets (excl. trade receivables)	1,033	1,386	1,029	1,386
Net (gain) / loss on sale of property, plant and equipment	(501)	(321)	(488)	(321)
Net exchange differences	104	29	-	-
Net (gain) / loss disposal of other financial assets	(2,156)	-	(2,156)	-
Distributions reinvested	(40,102)	(9,055)	(40,102)	(9,055)
Fair value (gains) / losses on other financial assets at fair value through the income statement	(4,828)	(28,754)	(4,828)	(28,754)
Changes in assets and liabilities associated with operating activities				
(Increase) / Decrease in trade debtors	(6,125)	26,204	(6,170)	27,654
(Increase) / Decrease in other receivables	12,126	3,036	12,131	2,340
(Increase) / Decrease in related party receivables	-	-	(1,493)	(178)
(Increase) / Decrease in inventories	(12)	(41)	-	-
Increase / (decrease) in deferred tax asset	-	-	-	-
Increase / (Decrease) in trade creditors	(14,038)	(2,488)	(13,364)	(2,794)
Increase / (Decrease) in other operating liabilities	7,814	34,080	4,887	33,181
Increase / (Decrease) in provision for income taxes payable	110	27	-	-
Increase / (Decrease) in related party payables	-	-	(212)	(2,578)
Increase / (Decrease) in other provisions	(19,396)	1,523	(19,682)	1,428
Net cash provided by / (used in) operating activities	57,873	84,412	48,518	75,857

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27. Reserves and Retained Earnings**(a) Reserves**

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Reserves				
Property, plant and equipment revaluation surplus	694,275	613,839	672,668	588,919
Foreign currency translation surplus	1,943	1,261	-	-
Defined benefit actuarial assumptions reserves	6,415	6,909	6,415	6,909
FVOCI reserve	9,909	753	9,910	754
Total reserve	712,542	622,762	688,993	596,582

Movements	Note	Consolidated		Parent	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
Foreign currency translation surplus					
Balance 1 January		1,261	1,196	-	-
Currency translation differences arising during the year		682	65	-	-
Balance 31 December		1,943	1,261	-	-
Property, plant and equipment revaluation surplus					
Balance 1 January		613,839	560,752	588,919	539,225
Revaluation increment/(decrement)	14	80,436	53,238	83,749	49,847
Transfer to retained earnings		-	(151)	-	(153)
Balance 31 December		694,275	613,839	672,668	588,919
Defined benefit actuarial remeasurements					
Balance 1 January		6,909	7,580	6,909	7,580
Revaluation increment/(decrement)		(494)	(671)	(494)	(671)
Balance 31 December		6,415	6,909	6,415	6,909
FVOCI reserve					
Balance 1 January		753	1,061	754	1,062
Revaluation increment/(decrement)		9,156	(308)	9,156	(308)
Balance 31 December		9,909	753	9,910	754
Total reserves		712,542	622,762	688,993	596,582

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27. Reserves and Retained Earnings (continued)**(a) Reserves (continued)**

Movements in retained earnings were as follows:

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Retained earnings at 1 January	1,072,078	1,072,254	1,048,583	1,052,744
Net result for the period	61,314	(327)	58,160	(4,314)
Transfer from reserves	-	151	-	153
Retained earnings at end of the financial year	1,133,392	1,072,078	1,106,743	1,048,583

(b) Nature and purpose of reserves

Foreign currency translation surplus: exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed.

Fair Value through Other Comprehensive Income (FVOCI) reserve: changes in the fair value and exchange differences arising on translation of investments, such as equities, classified as fair value through other comprehensive income, are recognised in other comprehensive income and accumulated in a separate reserve within equity.

Property, plant and equipment revaluation: used to record increments and decrements on the revaluation of property, plant and equipment. In the event of a sale of an asset, any balance in the reserve in relation to the asset is transferred to retained earnings.

Defined benefit actuarial remeasurements: actuarial remeasurements arising on valuation of the pension are recognised in other comprehensive income and accumulated in a separate reserve within equity.

28. Events Occurring After the Reporting Date

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

29. Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is conducted by Mercer, the Group's investment manager, under policies approved by the University Council. Mercer identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The University Council provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

(a) Market Risk**(i) Foreign Exchange Risk**

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Singapore and US dollars.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

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29. Financial Risk Management (continued)**(a) Market Risk (continued)**

Management has set up a policy requiring the University of Newcastle and Group companies to manage their foreign exchange risk against their functional currency.

The University of Newcastle and Group's treasury risk management position is not to hedge the cash flows at present, because the amount of exposure has been determined to be immaterial in terms of the possible impact on the income statement or total equity.

(ii) Price Risk

The Group are exposed to price risk arising from financial assets on the statement of financial position. Neither the Group nor the parent entity is exposed to commodity price risk.

To manage its price risk arising from other financial assets, the Group diversifies its portfolio. Diversification of the portfolio is in accordance with the limits set by the Group.

(iii) Cash Flow and Fair Value Interest Rate Risk

At 31 December 2024, the Group has no long-term borrowings, it is only subject to cash flow and interest rate risk on its cash and cash equivalents.

(iv) Summarised Sensitivity Analysis

The following tables summarise the sensitivity of the Group's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

31 December 2024	Carrying Amount \$'000	Interest Rate Risk				Foreign Exchange Risk				Other Price Risk			
		-3% Result	+3% Equity	+3% Result	-3% Equity	-15% Result	+15% Equity	+15% Result	-15% Equity	-20% Result	+20% Equity	+20% Result	-20% Equity
Financial Assets													
Cash and Cash Equivalents - at bank	39,016	(1,170)	(1,170)	1,170	1,170	(1,095)	(1,095)	1,095	1,095	-	-	-	-
Receivables	367,075	-	-	-	-	(155)	(155)	155	155	-	-	-	-
Financial assets	638,603	-	-	-	-	-	-	-	-	-(127,721)	(127,721)	127,721	127,721
Financial Liabilities													
Payables	58,466	-	-	-	-	(335)	(335)	335	335	-	-	-	-
Borrowing	11,268	113	113	(113)	(113)	(679)	(679)	679	679	-	-	-	-
Total increase / (decrease)		(1,057)	(1,057)	1,057	1,057	(2,264)	(2,264)	2,264	2,264	(127,721)	(127,721)	127,721	127,721

31 December 2023	Restated Carrying Amount \$'000	Interest Rate Risk				Foreign Exchange Risk				Other Price Risk			
		-3% Result	+3% Equity	+3% Result	-3% Equity	-15% Result	+15% Equity	+15% Result	-15% Equity	-20% Result	+20% Equity	+20% Result	-20% Equity
Financial Assets													
Cash and Cash Equivalents - at bank	59,632	(1,789)	(1,789)	1,789	1,789	(728)	(728)	728	728	-	-	-	-
Receivables	373,661	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets	613,201	-	-	-	-	-	-	-	-	-(122,640)	(122,640)	122,640	122,640
Financial Liabilities													
Payables	194,171	-	-	-	-	(250)	(250)	250	250	-	-	-	-
Total increase / (decrease)		(1,789)	(1,789)	1,789	1,789	(978)	(978)	978	978	(122,640)	(122,640)	122,640	122,640

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29. Financial Risk Management (continued)**(b) Credit Risk**

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, the Group maintains a credit risk framework and sets credit exposure limits based on external credit ratings to manage credit risk. If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Council. Fees from students are settled in cash or using major credit cards, generally on or prior to census date, mitigating credit risk, unless otherwise arranged on a case-by-case basis.

The carrying amount of financial assets (as contained in the table in sub-note 22(a)) represents the Group's maximum exposure to credit risk.

Receivables

Credit risk is managed at group level subject to the Group's established policy, procedures and controls relating to credit risk management. Credit quality of a customer is assessed based on individual credit limits. Outstanding receivables are regularly monitored.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and enforcement activity is not considered economically feasible. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the notes above.

The Group evaluates the concentration of risk with respect to trade receivables as low. Set out below is the information about the credit risk exposure on the Group's receivables using an expected credit loss matrix:

31 December 2024	Trade receivables						Total
	Days past due						
	Current	< 30 days	30-60 days	61-90 days	91-120 days	>120 days	
	\$	\$	\$	\$	\$	\$	\$
University - General Debtors							
Expected credit loss rate	0.04%	0.10%	0.23%	0.35%	0.71%	25.96%	
Cross carrying amount - trade receivables	4,297,304	1,857,261	1,412,448	447,077	6,419,198	455,944	14,889,232
Loss allowance	1,632	291,785	3,202	1,576	45,293	360,120	703,607
University - Student Debtors							
Expected credit loss rate	0.32%	5.17%	7.36%	9.96%	21.47%	-	
Cross carrying amount - trade receivables	694,809	69,843	58,927	411,201	2,383,790	-	3,618,569
Loss allowance	2,206	3,607	4,337	40,964	974,343	-	1,025,456
TUNRA - Trade Debtors							
Expected credit loss rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Cross carrying amount - trade receivables	1,074,726	549,085	16,170	15,812	62,819	-	1,718,612
Loss allowance	-	-	-	-	-	-	-
Total loss allowance							1,729,063

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FOR THE YEAR ENDED 31 DECEMBER 2024

29. Financial Risk Management (continued)**(b) Credit Risk (continued)**

31 December 2023	Trade receivables						Total
	Current	< 30 days	30-60 days	61-90 days	91-120 days	>120 days	
	\$	\$	\$	\$	\$	\$	\$
University - General Debtors							
Expected credit loss rate	0.01%	0.04%	0.13%	0.29%	0.40%	66.90%	
Cross carrying amount - trade receivables	3,954,528	2,481,517	1,137,376	529,661	1,250,625	127,805	9,481,513
Loss allowance	544	1,003	1,475	1,539	4,979	127,272	136,813
University - Student Debtors							
Expected credit loss rate	0.56%	5.80%	8.79%	13.72%	30.92%	-	
Cross carrying amount - trade receivables	826,014	101,455	87,794	547,223	1,561,045	-	3,123,531
Loss allowance	4,605	5,881	7,719	75,063	940,840	-	1,034,108
TUNRA - Trade Debtors							
Expected credit loss rate	0.23%	1.26%	1.68%	3.11%	3.34%	-	
Cross carrying amount - trade receivables	810,454	207,440	85,219	38,088	37,716	-	1,178,917
Loss allowance	1,889	2,612	1,435	1,183	26,149	-	33,268
Total loss allowance							<u>1,204,189</u>

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Council on an annual basis and may be updated throughout the year subject to approval of the Group's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

(c) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through adequate credit facilities to meet obligations when they fall due. At the end of the reporting period the Group held cash of \$39.0 million (2023: \$59.6 million) and had available facilities of \$85.0 million (2023: \$90.0 million) to manage liquidity risk. Management regularly monitors rolling forecasts of the Group's liquidity reserve and cash and cash equivalents on the basis of expected cash flows.

For details of the Group's financing arrangements unused at balance date refer to Note 17.

The Group's financial liabilities are trade and other payables which were \$65.4 million at year end (2023: \$73.9 million). All liabilities are non-interest bearing and have a maturity date of less than 12 months.

30. Commitments**Capital Commitments**

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment				
Within one year	<u>69,924</u>	<u>73,814</u>	<u>69,924</u>	<u>73,814</u>
Total property, plant and equipment	<u>69,924</u>	<u>73,814</u>	<u>69,924</u>	<u>73,814</u>

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FOR THE YEAR ENDED 31 DECEMBER 2024

31. Defined Benefit Plans**(a) Fund Specific Disclosure**

The University of Newcastle incurs an obligation for deferred contributions which become payable on and after retirement of staff in respect of the following defined benefit schemes:

- NSW State Superannuation Scheme (SSS)
- NSW State Authorities Superannuation Scheme (SASS)
- NSW State Authorities Non-Contributory Superannuation Scheme (SANCS)
- Pension entitlements arising from the former University of Newcastle Staff Superannuation Scheme

The University expects to not be required to make a contribution to the defined benefit plan during the next financial year (2023: Nil).

The weighted average duration of the defined benefit obligation is 8.3 years (2023: 8.4 years). The expected maturity analysis of undiscounted benefit payments is as follows:

	Less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Total \$'000
Defined benefit obligations - 31 December 2024	25,056	25,071	70,987	275,458	396,572
Defined benefit obligations - 31 December 2023	25,281	24,479	69,005	277,316	396,081
Pension benefit obligations - 31 December 2024	2,207	2,171	5,877	15,478	25,733
Pension benefit obligations - 31 December 2023	2,234	2,192	5,957	16,239	26,622

(b) Categories of Plan Assets

The analysis of the plan assets at the end of the reporting period is as follows:

	2024 %	2023 %
	Active Market	Active Market
Australian equities	20.61	14.34
International equities	40.07	37.16
Australian fixed interest	0.34	0.28
International fixed interest	0.56	3.03
Property	6.66	7.85
Short-term securities	6.22	12.21
Alternatives	25.54	25.13
Total	100.00	100.00

The principal assumptions used for the purposes of the actuarial valuations were as follows (expressed as weighted averages):

	2024 %	2023 %
Discount rate(s)	4.41	4.00
Expected rate(s) of CPI increase	3.80	6.60
Expected rate(s) of salary increase	4.75	5.74

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

31. Defined Benefit Plans (continued)**(c) Actuarial Assumptions and Sensitivity**

The sensitivity of the defined benefit obligation to change in the significant assumptions is:

	Change in assumption	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
Discount rate	0.50%	Increase by 4.07%	Decrease by 3.80%
Salary growth rate	0.50%	Increase by 0.07%	Decrease by 0.06%
CPI increase	0.50%	Increase by 4.42%	Decrease by 4.15%

The above sensitivity analyses are based on a change in an assumption while holding all the other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the defined benefit liability recognised in the statement of financial position.

The methods and types of assumptions used in the preparation of the sensitivity analysis did not change compared to the prior period.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

31. Defined Benefit Plans (continued)**(d) Statement of Financial Position Amounts**

Amounts recognised in the statement of financial position - 2024	\$'000	\$'000	\$'000	\$'000	\$'000
	Pension	SANCS	SSS	SASS	Total
Liabilities					
Provision for deferred government benefits for superannuation	-	(2,479)	279,130	9,193	285,844
Provision for pension entitlements	18,957	-	-	-	18,957
add: On-costs on pension entitlements	3,427	-	-	-	3,427
Total liabilities recognised in the statement of financial position	22,384	(2,479)	279,130	9,193	308,228
Assets					
Receivable for deferred government benefit for superannuation	-	(2,479)	279,130	9,193	285,844
Total assets recognised in the statement of financial position	-	(2,479)	279,130	9,193	285,844
Net liability recognised in the statement of financial position	22,384	-	-	-	22,384
	\$'000	\$'000	\$'000	\$'000	\$'000
	Pension	SANCS	SSS	SASS	Total
Net liability reconciliation - 2024					
Defined benefit obligation	18,957	1,344	302,088	16,359	338,748
Fair value of plan assets	-	(3,823)	(22,957)	(7,166)	(33,946)
Net liability	18,957	(2,479)	279,131	9,193	304,802
	\$'000	\$'000	\$'000	\$'000	\$'000
	Pension	SANCS	SSS	SASS	Total
Present value of obligation - 2024					
Opening defined benefit obligation	19,969	1,306	323,284	15,554	360,113
Current service cost	-	51	-	37	88
Interest expense	758	46	12,477	583	13,864
	20,727	1,403	335,761	16,174	374,065
Remeasurements					
Actuarial losses / (gains) arising from changes in demographic assumptions	-	-	5,698	2	5,700
Actuarial losses / (gains) arising from changes in financial assumptions	494	22	(10,090)	16	(9,558)
Experience (gains) / losses	-	281	(3,409)	981	(2,147)
	494	303	(7,801)	999	(6,005)
Contributions from plan participants	-	-	10	98	108
Payments from plan					
Benefits paid	(2,264)	(319)	(22,886)	(848)	(26,317)
Taxes, premiums and expenses paid	-	(43)	(2,996)	(65)	(3,104)
	(2,264)	(362)	(25,882)	(913)	(29,421)
Closing defined benefit obligation	18,957	1,344	302,088	16,358	338,747

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

31. Defined Benefit Plans (continued)**(d) Statement of Financial Position Amounts (continued)**

	\$'000	\$'000	\$'000	\$'000	\$'000
	Pension	SANCS	SSS	SASS	Total
Present value of plan assets - 2024					
Opening fair value of plan assets	-	3,670	23,345	5,370	32,385
Interest (income)	-	148	969	219	1,336
	-	3,818	24,314	5,589	33,721
Remeasurements					
Return on plan assets, excluding amounts included in net interest expense	-	(5)	33	259	287
Contributions					
Employers	-	372	24,481	2,133	26,986
Plan participants	-	-	10	98	108
	-	372	24,491	2,231	27,094
Payments from plan					
Benefits paid	-	(319)	(22,886)	(848)	(24,053)
Taxes, premiums and expenses paid	-	(43)	(2,996)	(65)	(3,104)
	-	(362)	(25,882)	(913)	(27,157)
Closing defined benefit obligation	-	3,823	22,956	7,166	33,945
Amounts recognised in the statement of financial position - 2023					
	Pension	SANCS	SSS	SASS	Total
Liabilities					
Provision for deferred government benefits for superannuation	-	(2,364)	299,939	10,184	307,759
Provision for pension entitlements	19,969	-	-	-	19,969
Add: On-costs on pension entitlements	3,485	-	-	-	3,485
Total liabilities recognised in the statement of financial position	23,454	(2,364)	299,939	10,184	331,213
Assets					
Receivable for deferred government benefit for superannuation	-	(2,364)	299,939	10,184	307,759
Total assets recognised in the statement of financial position	-	(2,364)	299,939	10,184	307,759
Net liability recognised in the statement of financial position	23,454	-	-	-	23,454
Net liability reconciliation - 2023					
	Pension	SANCS	SSS	SASS	Total
Defined benefit obligation	19,969	1,306	323,284	15,554	360,113
Fair value of plan assets	-	(3,670)	(23,345)	(5,370)	(32,385)
Net liability	19,969	(2,364)	299,939	10,184	327,728

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

31. Defined Benefit Plans (continued)**(d) Statement of Financial Position Amounts (continued)**

	\$'000	\$'000	\$'000	\$'000	\$'000
	Pension	SANCS	SSS	SASS	Total
Present value of obligation - 2023					
Opening defined benefit obligation	20,729	1,987	328,927	19,756	371,399
Current service cost	-	71	-	79	150
Interest expense	809	71	12,999	743	14,622
	<u>21,538</u>	<u>2,129</u>	<u>341,926</u>	<u>20,578</u>	<u>386,171</u>
Remeasurements					
Actuarial losses / (gains) arising from changes in financial assumptions	671	62	7,280	326	8,339
Experience (gains) / losses	-	(545)	(2,773)	(1,017)	(4,335)
	<u>671</u>	<u>(483)</u>	<u>4,507</u>	<u>(691)</u>	<u>4,004</u>
Contributions from plan participants	-	-	10	148	157
Payments from plan					
Benefits paid	(2,240)	(362)	(21,891)	(4,459)	(28,952)
Taxes, premiums and expenses paid	-	21	(1,268)	(22)	(1,269)
	<u>(2,240)</u>	<u>(341)</u>	<u>(23,159)</u>	<u>(4,481)</u>	<u>(30,221)</u>
Closing defined benefit obligation	<u>19,969</u>	<u>1,305</u>	<u>323,284</u>	<u>15,554</u>	<u>360,111</u>

	\$'000	\$'000	\$'000	\$'000	\$'000
	Pension	SANCS	SSS	SASS	Total
Present value of plan assets - 2023					
Opening fair value of plan assets	-	3,454	19,938	8,853	32,245
Interest (income)	-	141	890	302	1,333
	<u>-</u>	<u>3,595</u>	<u>20,828</u>	<u>9,155</u>	<u>33,578</u>
Remeasurements					
Return on plan assets, excluding amounts included in net interest expense	-	(27)	(199)	315	89
Contributions					
Employers	-	443	25,865	233	26,541
Plan participants	-	-	10	148	158
	<u>-</u>	<u>443</u>	<u>25,875</u>	<u>381</u>	<u>26,699</u>
Payments from plan					
Benefits paid	-	(362)	(21,891)	(4,459)	(26,712)
Taxes, premiums and expenses paid	-	21	(1,268)	(22)	(1,269)
	<u>-</u>	<u>(341)</u>	<u>(23,159)</u>	<u>(4,481)</u>	<u>(27,981)</u>
Closing defined benefit obligation	<u>-</u>	<u>3,670</u>	<u>23,345</u>	<u>5,370</u>	<u>32,385</u>

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

31. Defined Benefit Plans (continued)**(e) Amounts Recognised in Other Statements****Amounts recognised in the Income Statement - 2024**

The amounts recognised in the income statement are restricted to the pension scheme in accordance with the accounting policy detailed below. The amounts are included in the income statement.

		\$'000	\$'000	\$'000	\$'000	\$'000
	Note	Pension	SANCS	SSS	SASS	Total
Interest cost		758	-	-	-	758
Total expense recognised in the Income Statement	5	758	-	-	-	758

Amounts recognised in other comprehensive income - 2024

The amounts recognised in the statement of comprehensive income are restricted to the pension scheme in accordance with the accounting policy detailed below. The amounts are included in reserves (Note 27).

		\$'000	\$'000	\$'000	\$'000	\$'000
	Note	Pension	SANCS	SSS	SASS	Total
Remeasurements						
Actuarial losses / (gains) arising from changes in financial assumptions		494	-	-	-	494
Total amounts recognised in the Statement of Comprehensive Income		494	-	-	-	494

Amounts recognised in the Income Statement - 2023

The amounts recognised in the income statement are restricted to the pension scheme in accordance with the accounting policy detailed below. The amounts are included in the Income Statement.

		\$'000	\$'000	\$'000	\$'000	\$'000
	Note	Pension	SANCS	SSS	SASS	Total
Interest cost		809	-	-	-	809
Total expense recognised in the Income Statement	5	809	-	-	-	809

Amounts recognised in other comprehensive income - 2023

The amounts recognised in the statement of comprehensive income are restricted to the pension scheme in accordance with the accounting policy detailed below. The amounts are included in reserves (Note 27).

		\$'000	\$'000	\$'000	\$'000	\$'000
	Note	Pension	SANCS	SSS	SASS	Total
Remeasurements						
Actuarial losses (gains) arising from changes in financial assumptions		671	-	-	-	671
Total amounts recognised in the Statement of Comprehensive Income		671	-	-	-	671

Accounting Policy**Retirement benefit obligations**

All employees of the University are entitled to benefits on retirement, disability or death from the University's superannuation plan. The University has a defined benefit section and a defined contribution section within its plan. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from University companies and the University's legal or constructive obligation is limited to these contributions. The employees of the parent entity are all members of the defined contribution section of the University's plan.

A liability or asset in respect of defined benefit superannuation plans is recognised in the statement of financial position and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the superannuation fund's assets at that date. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

31. Defined Benefit Plans (continued)

Accounting Policy (continued)

Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the statement of financial position.

Past service costs are recognised in profit or loss immediately.

Contributions to the defined contribution section of the University's superannuation fund and other independent defined contribution superannuation funds are recognised as an expense as they become payable.

Deferred government benefit for superannuation

In accordance with the 1998 instructions issued by the Department of Education, Training and Youth Affairs (DETYA) now known as the Department of Education (Education), the effects of the unfunded superannuation liabilities of the University and its controlled entities were recorded in the income statement and the statement of financial position for the first time in 1998. The prior years' practice had been to disclose liabilities by way of a note to the financial statements.

The unfunded liabilities recorded in the statement of financial position under Provisions have been determined by the University's external actuaries and relate to SSS, SASS and SANCS on an emerging cost basis.

Deferred government benefits for superannuation are the amounts recognised as reimbursement rights as they are the amounts expected to be received from the Australian Government for the emerging costs of the superannuation funds for the life of the liability.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

32. Acquittal of Australian Government Financial Assistance**(a) Education - CGS and Other Education Grants**

	Note	Commonwealth Grants Scheme ^{#1}		Indigenous Student Success ^{#2}		Indigenous, Regional and Low-SES Attainment Fund ^{#3}		National Priorities and Industry Linkage Fund	
		2024	2023	2024	2023	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent Entity (University) Only									
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)		255,974	239,396	4,154	3,925	12,517	11,461	7,880	7,310
Net adjustments		(389)	(343)	-	-	(1,004)	(1,694)	-	-
Revenue and income for the period	3.1(a)	255,585	239,053	4,154	3,925	11,513	9,767	7,880	7,310
Surplus / (deficit) from the previous year		-	-	249	315	620	1,281	-	-
Total revenue and income including accrued revenue		255,585	239,053	4,403	4,240	12,133	11,048	7,880	7,310
Less expenses including accrued expenses		(255,585)	(239,053)	(4,074)	(3,991)	(11,754)	(10,428)	(7,880)	(7,310)
Surplus / (deficit) for reporting period		-	-	329	249	379	620	-	-

	Note	Promotion of Excellence in Learning and Teaching		Higher Education Disability Support Program ^{#4}		Other		Total	
		2024	2023	2024	2023	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent Entity (University) Only									
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)		-	-	433	324	-	3,318	280,958	265,734
Net adjustments		-	-	-	-	1,936	(783)	543	(2,820)
Revenue and income for the period	3.1(a)	-	-	433	324	1,936	2,535	281,501	262,914
Surplus / (deficit) from the previous year		1	1	83	95	-	-	954	1,692
Total revenue and income including accrued revenue		1	1	516	419	1,936	2,535	282,455	264,606
Less expenses including accrued expenses		(1)	-	(419)	(336)	(1,936)	(2,535)	(281,649)	(263,652)
Surplus / (deficit) for reporting period		-	1	97	83	-	-	806	954

#1 Includes the basic CGS grant amount, CGS – Medical Student Loading, Transition Fund Loading, Allocated Places, Non Designated Courses.

#2 Indigenous Student Success Program has replaced the Indigenous Commonwealth Scholarships Program and the Indigenous Support Program as of 1 January 2017.

#3 Includes the Higher Education Participation and Partnership Program, regional loading and enabling loading.

#4 Higher Education Disability Support Program includes Additional Support for Students with Disabilities and Australian Disability Clearinghouse on Education & Training.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

32. Acquittal of Australian Government Financial Assistance (continued)**(b) Higher Education Loan Programs (excl OS-HELP)**

	Note	HECS-HELP (Australian Government Payments Only)		FEE- HELP		SA-HELP		Total	
		2024	2023	2024	2023	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent Entity (University) Only									
Cash payable / (receivable) at the beginning of year		1,982	(236)	260	111	35	312	2,277	187
Financial assistance received in cash during the reporting period		147,744	132,898	14,672	18,054	6,245	4,552	168,661	155,504
Cash available for period		149,726	132,662	14,932	18,165	6,280	4,864	170,938	155,691
Revenue earned	3.1(b)	149,403	130,680	14,570	17,905	5,953	4,829	169,926	153,414
Cash payable / (receivable) at the end of year		323	1,982	362	260	327	35	1,012	2,277

VET Student Loan Program is not required to be acquitted here.

(c) Department of Education Research

	Note	Research Training Program		Research Support Program		Total	
		2024	2023	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent Entity (University) Only							
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)		31,146	30,662	24,137	24,288	55,283	54,950
Revenue for the period	3.1(c)	31,146	30,662	24,137	24,288	55,283	54,950
Surplus / (deficit) from the previous year		17,098	12,066	-	1,641	17,098	13,706
Total revenue including accrued revenue		48,244	42,728	24,137	25,929	72,381	68,656
Less expenses including accrued expenses		(36,067)	(25,630)	(24,137)	(25,929)	(60,204)	(51,559)
Surplus / (deficit) for reporting period		12,177	17,098	-	-	12,177	17,097

(d) Total Higher Education Provider Research Training Program Expenditure^{#5}

	Total Domestic Students	Total Overseas Students
	\$'000	\$'000
Training Program Expenditure		
Research Training Program Fee Offsets	23,082	861
Research Training Program Stipends	9,706	585
Research Training Program Allowances	1,403	430
Total for all types of support^{#6}	34,191	1,876

^{#5} Please refer to the Commonwealth Scholarship Guidelines for expenditure definitions for the Research Training Program.^{#6} The total for all types of support for domestic and overseas students is expected to match the Research Training Program expenses, including accrued expenses of \$36.1 million (Note 32(c)) in respect to the 2024 year.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

32. Acquittal of Australian Government Financial Assistance (continued)**(e) Other Capital Funding**

	Note	Other Capital Funding		Total	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
Parent Entity (University) Only					
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)		450	866	450	866
Net adjustment		866	(377)	866	(377)
Revenue for the period	3.1(d)	1,316	489	1,316	489
Surplus / (deficit) from the previous year		-	-	-	-
Total funding available during the year		1,316	489	1,316	489
Less expenses including accrued expenses		(1,316)	(489)	(1,316)	(489)
Cash surplus / (deficit) for the reporting period		-	-	-	-

(f) Australian Research Council Grants

	Note	Discovery		Linkages ^{#7}		Networks and Centres		Special Research Initiatives	
		2024	2023	2024	2023	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent Entity (University) Only									
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)		6,495	6,034	1,955	2,375	5,833	5,411	-	-
Net adjustment		13	173	(466)	(646)	(4,439)	(4,002)	28	434
Revenue for the period	3.1(e)	6,508	6,207	1,489	1,729	1,394	1,409	28	434
Total revenue including accrued revenue		6,508	6,207	1,489	1,729	1,394	1,409	28	434
Less expenses including accrued expenses		(6,508)	(6,207)	(1,489)	(1,729)	(1,394)	(1,409)	(28)	(434)
Surplus / (deficit) for reporting period		-	-	-	-	-	-	-	-

Australian Research Council Grants

	Note	Total	
		2024	2023
		\$'000	\$'000
Financial assistance received in cash during the reporting period		14,283	13,820
Net accrual adjustment		(4,864)	(4,041)
Revenue for the period	3.1(e)	9,419	9,779
Surplus / (deficit) from the previous year		-	-
Total revenue including accrued revenue		9,419	9,779
Less expenses including accrued expenses		(9,419)	(9,779)
Surplus / (deficit) for reporting period		-	-

#7 ARC Linkage Infrastructure, Equipment and Facilities grants should be reported in (32e) Other Capital Funding.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

32. Acquittal of Australian Government Financial Assistance (continued)**(g) OS-Help**

		2024	2023
		\$'000	\$'000
Parent Entity (University) Only	Note		
Cash received during the reporting period		6,148	3,271
Cash spent during the reporting period		<u>(3,447)</u>	<u>(3,783)</u>
Net cash received		<u>2,701</u>	<u>(512)</u>
Cash surplus / (deficit) from the previous period		<u>4,258</u>	<u>4,770</u>
Cash surplus / (deficit) for the reporting period		<u>6,959</u>	<u>4,258</u>

(h) Higher Education Superannuation Program

		2024	2023
		\$'000	\$'000
Cash received during the reporting period (total cash received from the Australian Government only for the program)		20,759	20,304
University contribution in respect of current employees		-	-
Cash surplus / (deficit) from the previous period		-	-
Contributions to specified defined benefits funds		<u>(20,759)</u>	<u>(20,304)</u>
Cash surplus / (deficit) this period		<u>-</u>	<u>-</u>

(i) Student Services and Amenities Fee

		2024	2023
		\$'000	\$'000
Parent Entity (University) Only	Note		
Unspent / (overspent) revenue from previous period		1,434	2,933
SA-HELP revenue earned	3.1(b)	5,953	4,829
Student Services Fees direct from students	3.3	<u>2,649</u>	<u>2,086</u>
Total revenue expendable in period		<u>10,036</u>	<u>9,848</u>
Student Services expenses in period		<u>(9,185)</u>	<u>(8,414)</u>
Unspent / (overspent) Student Services revenue		<u>851</u>	<u>1,434</u>

THE UNIVERSITY OF NEWCASTLE

STATEMENT BY MEMBERS OF COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2024

In accordance with a resolution of the members of Council under s. 16 of the *University of Newcastle Act 1989* (NSW) and pursuant to section 7.6 (4) of the *Government Sector Finance Act 2018*, we state that to the best of our knowledge and belief:

(a) The attached general purpose financial statements present fairly the financial position of the University of Newcastle and Group as at 31 December 2024, and the financial performance and cash flows for the year ended on that date.

(b) The financial statements have been prepared in accordance with the provisions of the *Government Sector Finance Act 2018*, the *Government Sector Finance Regulation 2024* and the *Higher Education Support Act 2003* (Cwth) (Financial Statement Guidelines).

(c) The financial statements have been prepared in accordance with the Australian Accounting Standards, AASB Interpretations and other mandatory professional reporting requirements.

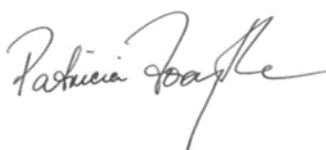
(d) We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

(e) There are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due.

(f) The amount of Australian Government financial assistance expended during the reporting period was for the purpose for which it was intended and the University has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure.

(g) The University of Newcastle charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* (Cwth) and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

On behalf of the Council of The University of Newcastle.



The Hon. Patricia Forsythe AM
Chancellor



Mr Noel Cornish AM
Chair Finance & Infrastructure Committee

Dated: 28 March 2025

THE UNIVERSITY OF NEWCASTLE

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

**INDEPENDENT AUDITOR'S REPORT****The University of Newcastle**

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of The University of Newcastle (the University), which comprise the Statement by Members of Council, the Income Statement and Statement of Comprehensive Income for the year ended 31 December 2024, the Statement of Financial Position as at 31 December 2024, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a Summary of material accounting policy information and other explanatory information of the University and the consolidated entity. The consolidated entity comprises the University and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act) and the *Government Sector Finance Regulation 2024* (GSF Regulation)
- presents fairly the financial position, financial performance and cash flows of the University and the consolidated entity.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the University in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

THE UNIVERSITY OF NEWCASTLE

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

Key Audit Matters

Australian Auditing Standard ASA 701 'Communicating Key Audit Matters in the Independent Auditor's Report' applies to the audit of the general purpose financial statements of listed entities or when an auditor is required by legislation to communicate key audit matters in the auditor's report. There is no legislative requirement to communicate key audit matters in my independent audit report on the University. I have voluntarily included a narrative on Key Audit Matters to enhance the readability of my audit opinion.

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements for the year ended 31 December 2024. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon. I do not provide a separate opinion on these matters. I have determined the matters described below to be the key audit matters to be communicated in my report.

Key Audit Matter	How my audit addressed the matter
Fair value measurement property, plant and equipment	
<p>As at 31 December 2024, the University reported \$1.4 billion in property, plant and equipment.</p> <p>In 2024, the University performed a desktop valuation and an annual impairment assessment of land, buildings and infrastructure using an independent valuer. The closing balance of property, plant and equipment included a revaluation increment of \$83.7 million.</p> <p>The last comprehensive valuation of land, buildings and infrastructure was performed during the year ended 31 December 2022.</p> <p>I considered this to be a key audit matter because of the:</p> <ul style="list-style-type: none"> • significance of property, plant and equipment to the University's financial position and the specialised nature of the assets • judgement and complexities associated with the application of AASB 13 'Fair Value Measurement' and assessing the impairment indicators and recoverable amounts under AASB 136 'Impairment of Assets' • use of the significant assumptions applied in valuation process required to estimate fair value. <p>Further information on the fair value measurement is included in Note 14 'Property, Plant and Equipment'.</p>	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> • assessed the competence, capability and objectivity of management's independent valuer • assessed the accuracy and completeness of the assets included within the interim valuation • assessed the appropriateness of the methodology used and key assumptions and judgments adopted, including the inputs provided by management's independent valuer and material changes to useful lives • assessed management's impairment assessment and where asset impairment indicators existed, reviewed management's estimate of its recoverable amount • reviewed the reconciliation of the valuation report to the reported financial statement balances • assessed the adequacy of the financial statement disclosures against the requirements of the applicable Australian Accounting Standards.
Valuation of defined benefit superannuation and long service leave liabilities	
<p>At 31 December 2024, the University reported:</p> <ul style="list-style-type: none"> • defined benefit superannuation liabilities totalling \$285.8 million within SAS Trustee Corporation Pooled Fund • employee long service leave liabilities totalling \$82.6 million. <p>I considered this to be a key audit matter because:</p> <ul style="list-style-type: none"> • the defined benefit superannuation and long services leave liabilities are financially significant to the University's financial position 	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> • assessed the completeness and accuracy of the data used in the models • obtained management's actuarial reports and year-end adjustments, and in relation to the defined benefit superannuation liabilities engaged a qualified actuary ('auditor's expert') to: <ul style="list-style-type: none"> – assess the qualifications, competence and objectivity of management's independent experts – assess the appropriateness of the models

THE UNIVERSITY OF NEWCASTLE

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

Key Audit Matter	How my audit addressed the matter
<ul style="list-style-type: none"> • there is a risk that data in the defined benefit superannuation and long services leave liability models (the 'models') is not accurate and/or complete • the underlying models used to value the liabilities are complex due to a high level of judgement and estimation involved in the valuation assumptions, including discount rates, salary inflation and other assumptions • the total value of the liabilities is sensitive to small changes in key valuation inputs. 	<ul style="list-style-type: none"> - confirm the reasonableness of key assumptions used - assess the reasonableness of the reported liability values • assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.
<p>Further information on the valuation of defined benefit superannuation and long service leave liabilities is included in Note 18 'Provisions' and Note 31 'Defined Benefit Plans'.</p>	

University Council's Responsibilities for the Financial Statements

The University Council is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and the 'Financial Statement Guidelines for Australian Higher Education Providers for the 2024 Reporting Period'. The University Council's responsibility also includes such internal control as the University Council determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the University Council is responsible for assessing the University's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/media/5fkcysek/ar5_2024.pdf. The description forms part of my auditor's report.

THE UNIVERSITY OF NEWCASTLE

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The scope of my audit does not include, nor provide assurance:

- that the University carried out their activities effectively, efficiently and economically
- as to the appropriateness of the certifications in the Statement by the Members of Council that the:
 - amount of Australian Government financial assistance expended during the reporting period was for the purpose for which it was intended, and the University has complied with applicable legislation, contracts, agreements and program Guidelines in making the expenditure
 - University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* (HES Act) and the Administration Guidelines made under the HES Act. Revenue from the fees were spent strictly in accordance with the HES Act and only on services and amenities specified in subsection 19-38(4) of the HES Act.
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Nirupama Mani
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

2 April 2025
SYDNEY