

FINANCIAL STATEMENTS

ABN 15 736 576 735

FOR THE YEAR ENDED 31 DECEMBER 2025

THE UNIVERSITY OF NEWCASTLE

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Revenue and income from continuing operations					
Australian Government financial assistance					
Australian Government grants	3.1	418,560	417,074	418,560	417,074
HELP - Australian Government payments	3.1	184,774	169,926	184,774	169,926
State and Local Government financial assistance	3.2	44,011	19,644	44,011	19,644
HECS-HELP - student payments		12,094	11,619	12,094	11,619
Fees and charges	3.3	187,339	143,091	163,736	127,595
Investment income/(loss)	4	59,071	57,782	58,493	57,301
Royalties, trademarks and licences	3.4	206	248	191	425
Consultancy and contracts	3.5	64,025	65,261	52,542	52,174
Other revenue	3.6	46,467	36,380	45,094	34,270
Total revenue and income from continuing operations		1,016,547	921,025	979,495	890,028
Expenses from continuing operations					
Employee related expenses	5	531,990	515,610	507,659	494,317
Depreciation and amortisation	6	66,212	62,530	65,353	60,813
Repairs and maintenance	7	42,894	38,199	42,105	37,285
Borrowing costs	8	463	148	815	474
Impairment of assets	9	1,505	2,012	1,509	2,034
Loss/(gain) on disposal of assets		208	(109)	774	(96)
Deferred superannuation expense	5	790	758	790	758
Other expenses	10	259,051	240,271	256,224	236,283
Total expenses from continuing operations		903,113	859,419	875,229	831,868
Net result before income tax from continuing operations		113,434	61,606	104,266	58,160
Income tax expense		957	292	-	-
Net result after income tax for the period		112,477	61,314	104,266	58,160
Net result attributable to:					
Members of the University of Newcastle		112,477	61,314	104,266	58,160
Total		112,477	61,314	104,266	58,160

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 2025

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Net result after income tax for the period		112,477	61,314	104,266	58,160
Items that will be reclassified to profit or loss					
Exchange differences on translation of foreign operations		(225)	682	-	-
Total		(225)	682	-	-
Items that will not be reclassified to profit or loss					
Gain/(loss) on revaluation of land, buildings, and infrastructure net of tax	14	23,632	80,436	45,100	83,749
Net actuarial gain/(loss) recognised in respect of defined benefit plans	31(d)	231	(494)	231	(494)
Gain/(loss) on revaluation of other financial assets through comprehensive income		31	9,156	31	9,156
Total		23,894	89,098	45,362	92,411
Total other comprehensive income		23,669	89,780	45,362	92,411
Comprehensive result		136,146	151,094	149,628	150,571
Total comprehensive income attributable to:					
Members of the University of Newcastle		136,146	151,094	149,628	150,571
Total		136,146	151,094	149,628	150,571

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 2025

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Assets					
Current assets					
Cash and cash equivalents	11	43,652	39,016	27,148	22,569
Trade and other receivables	12	78,084	80,828	79,996	80,173
Inventories		362	311	42	42
Other financial assets	13	124,026	117,071	111,000	112,000
Non-current assets held for sale		-	67	-	-
Total current assets		246,124	237,293	218,186	214,784
Non-current assets					
Trade and other receivables	12	260,916	286,247	260,519	285,844
Other financial assets	13	570,409	521,532	570,495	521,618
Property, plant and equipment	14	1,564,595	1,445,667	1,550,349	1,414,527
Intangible assets	15	53,832	35,364	53,788	35,315
Total non-current assets		2,449,752	2,288,810	2,435,151	2,257,304
Total assets		2,695,876	2,526,103	2,653,337	2,472,088
Liabilities					
Current liabilities					
Trade and other payables	16	71,696	65,412	73,657	69,484
Borrowings	17	28,135	7,941	27,821	7,053
Provisions	18	119,596	113,238	117,757	111,346
Other liabilities	19	193,538	163,966	190,936	160,197
Total current liabilities		412,965	350,557	410,171	348,080
Non-current liabilities					
Provisions	18	293,296	320,629	292,847	320,291
Borrowings	17	7,535	8,983	4,955	7,981
Total non-current liabilities		300,831	329,612	297,802	328,272
Total liabilities		713,796	680,169	707,973	676,352
Net assets		1,982,080	1,845,934	1,945,364	1,795,736
Equity					
Reserves	27	736,211	712,542	734,355	688,993
Retained earnings	27	1,245,869	1,133,392	1,211,009	1,106,743
Total equity		1,982,080	1,845,934	1,945,364	1,795,736

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 2025

2025	Consolidated		
	Reserves	Retained Earnings	Total
	\$'000	\$'000	\$'000
Balance at 1 January 2025	712,542	1,133,392	1,845,934
Net result	-	112,477	112,477
Gain/(loss) on revaluation of land, buildings and infrastructure, net of tax	23,632	-	23,632
Gain/(loss) on financial assets at fair value through OCI	31	-	31
Gain/(loss) on foreign exchange	(225)	-	(225)
Transfers from reserves	-	-	-
Remeasurements of Defined Benefit Plans	231	-	231
Total comprehensive income	23,669	112,477	136,146
Balance at 31 December 2025	736,211	1,245,869	1,982,080

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

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 2025

2025	Parent		
	Reserves	Retained Earnings	Total
	\$'000	\$'000	\$'000
Balance at 1 January 2025	688,993	1,106,743	1,795,736
Net result	-	104,266	104,266
Gain/(loss) on revaluation of land, buildings and infrastructure, net of tax	45,100	-	45,100
Gain/(loss) on financial assets at fair value through OCI	31	-	31
Transfers from reserves	-	-	-
Remeasurements of Defined Benefit Plans	231	-	231
Total comprehensive income	45,362	104,266	149,628
Balance at 31 December 2025	734,355	1,211,009	1,945,364

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
Transfers from reserves	-	-	-
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

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 2025

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cash flows from operating activities					
Australian Government grants		638,552	590,876	638,552	590,876
State Government grants		30,715	16,226	30,715	16,226
HECS-HELP - student payments		12,094	11,619	12,094	11,619
Receipts from student fees and other customers		276,138	232,982	233,493	193,529
Payments to suppliers and employees (inclusive of GST)		(818,049)	(818,763)	(787,046)	(791,200)
Dividends and distribution received		125	2,131	125	2,131
Interest received		8,474	8,451	7,853	8,044
Interest paid		(465)	(226)	(396)	(151)
GST recovered / (paid)		24,788	18,736	27,525	21,180
Income taxes paid		(325)	(208)	-	-
Lease payments for short-term and low-value leases		(3,770)	(3,951)	(3,539)	(3,736)
Net cash provided by / (used in) operating activities	26	168,277	57,873	159,376	48,518
Cash flows from investing activities					
Proceeds from sales of property, plant and equipment, intangibles and other long-term assets		683	216	33	216
Payments to acquire property, plant and equipment, intangibles and other long-term assets		(172,895)	(112,348)	(172,508)	(109,478)
Proceeds from sale of financial assets		179,253	350,747	178,503	347,747
Payments for financial assets		(186,529)	(318,945)	(177,781)	(312,445)
Net cash provided by / (used in) investing activities		(179,488)	(80,330)	(171,753)	(73,960)
Cash flows from financing activities					
Proceeds from borrowings		20,000	5,000	20,000	5,000
Repayment of lease liabilities		(3,932)	(3,635)	(3,044)	(2,885)
Net cash provided by / (used in) financing activities		16,068	1,365	16,956	2,115
Net increase / (decrease) in cash and cash equivalents		4,857	(21,092)	4,579	(23,327)
Cash and cash equivalents at the beginning of year		39,016	59,632	22,569	45,896
Effects of exchange rate changes on cash and cash equivalents		(221)	476	-	-
Cash and cash equivalents at end of financial year	11	43,652	39,016	27,148	22,569

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 2025

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THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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 27 March 2026.

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)

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the University of Newcastle as at 31 December 2025 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.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. Summary of Material Accounting Policies (continued)

(b) Basis of Consolidation

(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.

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 they are 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 *Income Tax Act 1947*.

(e) 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.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. Summary of Material Accounting Policies (continued)

(f) 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 2025 (unless otherwise stated). The impact the amendment has been disclosed below:

AASB2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability

The amendments to AASB121 *The Effects of Changes in Foreign Exchange Rate* clarify when a currency is not exchangeable and requires the use of an estimated exchange rate. The amendments introduce guidance on assessing a lack of exchangeability and require additional disclosures, including the estimation methodology used and related sensitivity analysis.

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

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

The following standards have been issued but are not mandatory for 31 December 2025 reporting periods. The Group has elected not to early adopt any of these standards.

Standard/ Amendment	Title	Application Date
AASB2024-2 ^{#1}	Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments	1 January 2026
AASB2024-3 ^{#1}	Amendments to AASs – Annual Improvements II	1 January 2026
AASB2025-1 ^{#1}	Amendments to Australian Accounting Standards – Contracts Referencing Nature-dependent Electricity	1 January 2026
AASB17 ^{#1}	Insurance Contracts	1 January 2027
AASB2022-8 ^{#1}	Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments	1 January 2027
AASB2022-9 ^{#1}	Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector	1 January 2027
AASB2014-10 ^{#1}	Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2028
AASB18 ^{#2}	Presentation and Disclosure in Financial Statements [for not-for-profit and superannuation entities]	1 January 2028

#1 Adoption of this standard is not expected to have a material impact on the Group's statutory accounts.

#2 This standard may lead to changes in the presentation of the Group's statutory accounts, particularly in the classification of income and expenses within the Income Statement, in accordance with the standard's requirements. The Group will assess these requirements, alongside the Financial Statement Guidelines for Australian Higher Education Providers, when adopting the standard.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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

	Revenue and income from transactions*		Results		Assets	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australia	993,908	904,944	107,481	58,735	2,672,477	2,509,203
Singapore	22,639	16,081	4,996	2,579	23,399	16,900
Total	1,016,547	921,025	112,477	61,314	2,695,876	2,526,103

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

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
(a) Commonwealth Grant Schemes and Other Grants					
Commonwealth Grants Scheme ^{#1}		272,659	255,585	272,659	255,585
Indigenous, Regional and Low SES Attainment Fund		6,404	11,513	6,404	11,513
National Priorities and Industry Linkage Fund		8,203	7,880	8,203	7,880
Higher Education Disability Support Program ^{#2}		2,343	433	2,343	433
Indigenous Student Success Program ^{#3}		4,406	4,154	4,406	4,154
Other		300	1,936	300	1,936
Total Commonwealth Grants Scheme and Other Grants	32(a)	294,315	281,501	294,315	281,501
(b) Higher Education Loan Programs					
HECS-HELP		161,284	149,403	161,284	149,403
FEE-HELP		17,582	14,570	17,582	14,570
SA-HELP payments		5,908	5,953	5,908	5,953
Total Higher Education Loan Programs	32(b)	184,774	169,926	184,774	169,926
(c) EDUCATION Research					
Research Training Program		29,123	31,146	29,123	31,146
Research Support Program		25,343	24,137	25,343	24,137
Increase Workforce Mobility		68	27	68	27
Total EDUCATION Research	32(c)	54,534	55,310	54,534	55,310
(d) Other Capital Funding					
Other Capital Funding		20	1,316	20	1,316
Total Other Capital Funding	32(e)	20	1,316	20	1,316
(e) Australian Research Council					
Discovery		5,359	6,508	5,359	6,508
Linkages ^{#4}		2,417	1,489	2,417	1,489
Networks and Centres		1,750	1,394	1,750	1,394
Special Research Initiatives		-	28	-	28
Total Australian Research Council	32(f)	9,526	9,419	9,526	9,419

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
(f) Other Australian Government Financial Assistance				
Non-capital				
Other Commonwealth Research Grant	24,281	22,064	24,281	22,064
Other Commonwealth Non-Research Grant	11,864	12,748	11,864	12,748
National Health and Medical Research Council	23,912	23,824	23,912	23,824
Total Non-capital	60,057	58,636	60,057	58,636
Capital				
Other	108	10,892	108	10,892
Total Capital	108	10,892	108	10,892
Total other Australian Government financial assistance	60,165	69,528	60,165	69,528
Total Australian Government financial assistance	603,334	587,000	603,334	587,000

#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 AASB15 *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 AASB9 *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 AASB1058 *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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FOR THE YEAR ENDED 31 DECEMBER 2025

3.2 State and Local Government Financial Assistance

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Non-capital				
State Government contributions	1,984	2,242	1,984	2,242
State and Local Government research grants	14,027	16,898	14,027	16,898
Total Non-capital	16,011	19,140	16,011	19,140
Capital				
State Government capital contributions	28,000	504	28,000	504
Total Capital	28,000	504	28,000	504
Total State and Local Government Financial Assistance	44,011	19,644	44,011	19,644

Accounting Policy

Contributions and grants from State and Local Governments are recognised within the scope of AASB15 *Revenue from Contracts with Customers* or AASB1058 *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 AASB9 *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.

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FOR THE YEAR ENDED 31 DECEMBER 2025

3.3 Fees and Charges

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Course Fees and Charges					
Fee-paying onshore overseas students [#]		115,064	82,972	115,064	82,972
Fee-paying offshore overseas students		25,685	18,668	4,041	3,592
Fee-paying domestic postgraduate students [#]		6,751	5,791	6,751	5,791
Fee-paying domestic undergraduate students [#]		162	61	162	61
Fee-paying domestic non-award students		1,234	538	1,234	538
Course and conference fees		3,236	2,973	1,277	2,554
Total Course Fees and Charges		152,132	111,003	128,529	95,508
Other Non-Course Fees and Charges					
Student services and amenities fees from students	32 (i)	3,914	2,649	3,914	2,649
Library fines		1,234	1,340	1,234	1,340
Parking fines and fees		2,916	2,682	2,916	2,681
Student accommodation		24,781	22,963	24,781	22,963
Other services		2,362	2,454	2,362	2,454
Total Other Fees and Charges		35,207	32,088	35,207	32,087
Total Fees and Charges		187,339	143,091	163,736	127,595

During the year, certain scholarship expenses were reclassified and presented as a reduction to student fee revenue to reflect the underlying transactions. Comparative figures have been restated to align with the current year's presentation, with corresponding impacts reflected in Other Expenses, as disclosed in Note 10.

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	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Royalties, trademarks and licences	206	248	191	425
Total royalties, trademarks and licences	206	248	191	425

3.5 Consultancy and Contracts

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Contract research				
Consultancy	9,787	5,456	8,856	3,718
Other contract revenue	18,106	18,715	18,097	18,706
Co-operative research centre	1,780	2,262	1,780	2,262
Hunter Medical Research Institute	10,137	9,345	10,137	9,345
Industry research	24,215	29,483	13,672	18,143
Total contract research	54,238	59,805	43,686	48,456
Total consultancy and contracts	64,025	65,261	52,542	52,174

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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

Consultancy contracts are recognised in accordance with AASB15 *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 AASB1058 *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

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Other revenue				
Donations and bequests	15,917	7,868	16,277	8,388
Other revenue	2,238	2,668	288	511
Sales, memberships and tickets	7,173	6,057	3,513	2,494
Rebates and commissions from external parties	1,469	2,028	543	1,185
Insurance recoveries	887	73	635	71
Rental revenue	3,353	3,316	3,181	2,783
Sponsorship	349	2,024	309	2,029
Other related party revenue	-	-	5,408	4,533
Cost recoveries	15,081	12,346	14,940	12,276
Total other revenue	46,467	36,380	45,094	34,270

Accounting Policy

Other revenue is accounted for in accordance with AASB15 *Revenue from Contracts with Customers* where enforceable arrangements with the customer exist. This includes sale of goods and other revenue. AASB1058 *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.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

3.7 Revenue and Income Streams from Continuing Operations

	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	161,323	162	-	-	-	-	-	-	161,485
Onshore overseas students undergraduate	-	49,136	-	-	-	-	-	-	49,136
Offshore overseas students undergraduate	-	19,302	-	-	-	-	-	-	19,302
Domestic students postgraduate	17,543	6,751	-	-	-	-	-	-	24,294
Onshore overseas students postgraduate	-	62,711	-	-	-	-	-	-	62,711
Offshore overseas students postgraduate	-	6,354	-	-	-	-	-	-	6,354
Others (e.g. non-award)	-	4,480	-	-	-	-	-	-	4,480
Total course fees and charges	178,866	148,896	-	-	-	-	-	-	327,762
Research									
Research goods and services [AASB15]	-	-	55,072	12,566	22,884	-	-	14,835	105,357
Research income [AASB1058]	-	-	57,113	1,536	1,330	-	-	15,098	-
Total research	-	-	112,185	14,102	24,214	-	-	29,933	105,357
Recurrent government grants									
Non-course fees and charges	-	-	306,179	1,984	-	-	-	-	286,839
Parking fees	-	-	-	-	2,916	-	-	-	2,916
Student services and amenities fees	5,908	3,914	-	-	-	-	-	-	9,822
Student accommodation	-	-	-	-	24,781	-	-	-	24,781
Other	-	-	-	-	3,641	-	-	1,448	3,641
Total non-course fees and charges	5,908	3,914	-	-	31,338	-	-	1,448	41,160
Capital Government grants									
Royalties	-	-	128	28,000	-	-	-	-	-
Licences	-	-	-	-	181	-	-	-	181
Other [AASB15]	-	-	-	-	25	-	-	-	25
Other [AASB1058]	-	-	-	-	41,550	-	-	16	41,566
Total other	-	-	-	-	250	-	7,941	26	-
Total revenue from contracts with customers	-	-	-	-	41,800	8,298	7,941	42	41,566
Total income of not-for-profit	-	-	-	-	-	-	-	-	802,890
									142,492

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FOR THE YEAR ENDED 31 DECEMBER 2025

3.7 Revenue and Income Streams from Continuing Operations (continued)

	Sources of Funding							Total Revenue from contracts with customers	Total Income of not-for-profit entities
	Higher Education Loan Program ("HELP")	Australian Government financial assistance	State and Local Government financial assistance	Commercial arrangements	Donations, including corporate sponsorship	Bequest	Others		
Revenue and Income Streams									
Course fees and charges									
Domestic students undergraduate	149,439	61	-	-	-	-	-	149,500	-
Onshore overseas students undergraduate	-	38,200	-	-	-	-	-	38,200	-
Offshore overseas students undergraduate	-	13,203	-	-	-	-	-	13,203	-
Domestic students postgraduate	14,534	5,791	-	-	-	-	-	20,325	-
Onshore overseas students postgraduate	-	41,002	-	-	-	-	-	41,002	-
Offshore overseas students postgraduate	-	5,461	-	-	-	-	-	5,461	-
Others (e.g. non-award)	-	4,312	-	-	-	-	-	4,312	-
Total course fees and charges	163,973	108,030	-	-	-	-	-	272,003	-
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									
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	-	-	1,623	5,019	1,623
Total non-course fees and charges	5,953	2,649	-	30,663	-	-	1,623	39,265	1,623
Capital Government grants									
Royalties	-	12,208	504	(197)	-	-	-	(197)	12,712
Licences	-	-	-	350	-	-	-	350	-
Other [AASB15]	-	-	-	31,989	-	-	9	31,989	-
Other [AASB1058]	-	-	-	-	9,481	434	189	-	10,104
Total other	-	-	-	31,980	9,481	434	198	31,989	10,104
Total revenue from contracts with customers	-	-	-	31,980	9,481	434	198	31,989	10,104
Total income of not-for-profit	-	-	-	733,441	-	-	-	733,441	118,183

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FOR THE YEAR ENDED 31 DECEMBER 2025

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")	Australian Government financial assistance	State and Local Government financial assistance	Commercial arrangements	Donations, including corporate sponsorship	Bequest	Others		
Revenue and Income Streams									
Course fees and charges									
Domestic students undergraduate	161,323	-	-	-	-	-	-	161,485	-
Onshore overseas students undergraduate	-	-	-	-	-	-	-	49,136	-
Offshore overseas students undergraduate	-	-	-	-	-	-	-	3,162	-
Domestic students postgraduate	17,543	-	-	-	-	-	-	24,294	-
Onshore overseas students postgraduate	-	-	-	-	-	-	-	62,711	-
Offshore overseas students postgraduate	-	-	-	-	-	-	-	850	-
Others (e.g. non-award)	-	-	-	-	-	-	-	4,480	-
Total course fees and charges	178,866							306,118	
Research									
Research goods and services [AASB15]	-	55,072	12,566	12,341	-	-	14,835	94,814	-
Research income [AASB1058]	-	57,113	1,536	1,330	-	-	15,098	-	75,077
Total research		112,185	14,102	13,671			29,933	94,814	75,077
Recurrent government grants									
Non-course fees and charges	-	306,179	1,984	-	-	-	-	286,839	21,324
Parking fees	-	-	-	-	2,916	-	-	2,916	-
Student services and amenities fees	5,908	-	-	-	-	-	-	9,822	-
Student accommodation	-	-	-	-	24,781	-	-	24,781	-
Other	-	-	-	-	3,639	-	1,588	3,639	1,588
Total non-course fees and charges	5,908				31,336		1,588	41,158	1,588
Capital Government grants									
Royalties	-	128	28,000	-	-	-	-	-	28,128
Licences	-	-	-	186	-	-	-	186	-
Other	-	-	-	5	-	-	-	5	-
Other [AASB15]	-	-	-	-	-	-	-	-	-
Other [AASB1058]	-	-	-	37,065	-	-	7	37,072	-
Total other									
Total revenue from contracts with customers					37,065		7,941	37,072	16,599
Total income of not-for-profit								766,192	142,716

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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	149,439	61	-	-	-	-	-	-	149,500
Onshore overseas students undergraduate	-	38,200	-	-	-	-	-	-	38,200
Offshore overseas students undergraduate	-	2,857	-	-	-	-	-	-	2,857
Domestic students postgraduate	14,534	5,791	-	-	-	-	-	-	20,325
Onshore overseas students postgraduate	-	41,002	-	-	-	-	-	-	41,002
Offshore overseas students postgraduate	-	731	-	-	-	-	-	-	731
Others (e.g. non-award)	-	4,312	-	-	-	-	-	-	4,312
Total course fees and charges	163,973	92,954	-	-	-	-	-	-	256,927
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
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	-	-	1,649	5,015
Total non-course fees and charges	5,953	2,649	-	-	30,659	-	-	1,649	39,261
Capital Government grants									
Royalties	-	-	12,208	504	-	-	-	-	12,712
Licences	-	-	-	-	425	-	-	-	425
Other [AASB15]	-	-	-	-	27,264	-	-	-	27,264
Other [AASB1058]	-	-	-	-	-	10,001	434	-	10,435
Total other	-	-	-	-	27,264	10,001	434	-	27,264
Total revenue from contracts with customers	-	-	-	-	27,264	10,001	434	-	702,568
Total income of not-for-profit	-	-	-	-	-	-	-	-	118,540

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

3.8 Reconciliation of Revenue and Income

	Note	Consolidated 2025 \$'000	Parent 2025 \$'000
Total Australian Government financial assistance including Australian Government loan programs (HELP)	3.1	603,334	603,334
Total State and Local Government financial assistance	3.2	44,011	44,011
Total Fees and charges	3.3	187,339	163,736
Total Royalties, trademarks and licences	3.4	206	191
Total Consultancy and contract	3.5	64,025	52,542
Total Other revenue	3.6	46,467	45,094
Total		945,382	908,908
Total Revenue from contracts with customers as per AASB15	3.7	802,890	766,192
Total Income of not-for-profit as per AASB1058	3.7	142,492	142,716
Total Revenue and Income from continuing operations		945,382	908,908

4. Investment Income

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Interest income	8,790	8,693	8,216	8,212
Total Interest	8,790	8,693	8,216	8,212
Dividends and Distributions				
Other financial assets at fair value through profit and loss	18,610	42,232	18,610	42,232
Total dividends and distributions	18,610	42,232	18,610	42,232
Total Investment income	27,400	50,925	26,826	50,444
Investment gains/(losses)				
Unrealised Investment gains/(losses)	30,990	4,701	30,986	4,701
Realised Investment gains/(losses)	681	2,156	681	2,156
Investment gains/(losses)	31,671	6,857	31,667	6,857
Total investment revenue and other investment income	59,071	57,782	58,493	57,301

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	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Academic				
Salaries	177,648	175,933	173,303	171,947
Contributions to superannuation and pension schemes				
Contributions to funded schemes	31,489	30,501	31,025	30,103
Contributions to unfunded schemes	71	98	71	98
Payroll tax	11,894	11,793	11,894	11,793
Worker's compensation	2,215	2,332	2,215	2,332
Long service leave	4,991	4,885	4,991	4,885
Annual leave	13,717	15,501	13,603	15,391
Other	4,815	3,032	4,815	3,032
Total academic	246,840	244,075	241,917	239,581
Non-academic				
Salaries	200,690	194,118	185,401	180,871
Contributions to superannuation and pension schemes				
Contributions to funded schemes	35,534	34,039	33,585	32,413
Contributions to unfunded schemes	225	258	225	258
Payroll tax	13,971	13,450	13,378	12,924
Worker's compensation	2,513	2,595	2,390	2,503
Long service leave	4,303	3,901	4,299	3,747
Annual leave	16,401	18,190	15,177	17,231
Other	11,513	4,984	11,287	4,789
Total non-academic	285,150	271,535	265,742	254,736
Total employee related expenses	531,990	515,610	507,659	494,317
Deferred superannuation expense	790	758	790	758
Total employee related expenses, including government employee benefits for superannuation	532,780	516,368	508,449	495,075

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.

(i) 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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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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 AASB137 *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	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Depreciation				
Buildings and infrastructure	40,922	39,574	41,164	38,862
Plant and equipment	15,462	14,558	15,269	14,354
Right-of-use asset	4,428	3,864	3,533	3,072
Total depreciation	60,812	57,996	59,966	56,288
Amortisation				
Intangible assets	5,400	4,534	5,387	4,525
Total amortisation	5,400	4,534	5,387	4,525
Total depreciation and amortisation	66,212	62,530	65,353	60,813

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FOR THE YEAR ENDED 31 DECEMBER 2025

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	2025	2024
Buildings and infrastructure	20 - 60 years	20 - 60 years
Plant and equipment	2 - 40 years	2 - 40 years

Intangible assets

The following useful lives are applied for intangible assets with finite useful lives:

Amortised assets	2025	2024
Intellectual property	2 - 22 years	2 - 22 years
Computer software	2 - 5 years	2 - 5 years

7. Repairs and Maintenance

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Repair and maintenance – general	35,830	33,102	35,137	32,307
Buildings	7,064	5,097	6,968	4,978
Total repairs and maintenance	42,894	38,199	42,105	37,285

8. Borrowing Costs

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Interest expense on lease liabilities	463	204	396	150
Borrowing costs	-	(56)	419	324
Total borrowing costs	463	148	815	474

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.

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9. Impairment of Assets

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Trade and receivables	1,032	979	1,036	1,005
Capital Works in Progress	359	356	359	356
Plant and Equipment	72	330	72	326
Intangible Assets	42	347	42	347
Total impairment of assets	1,505	2,012	1,509	2,034

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.

10. Other Expenses

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Advertising, marketing and promotional expenses	8,155	7,567	6,991	6,558
Consumables	29,324	30,373	28,375	29,379
Donations	142	24	123	14
Insurance	5,790	5,855	5,603	5,679
Minor equipment (inc. IT related expenses)	13,021	13,995	12,539	13,506
Operating lease rental	3,612	3,797	3,539	3,736
Consultancy [#]	5,697	17,544	5,428	18,328
Professional services	79,672	54,362	81,961	53,846
Scholarships, grants and prizes	36,690	37,652	36,711	37,317
Telecommunications	3,924	3,559	3,863	3,495
Travel, staff development and entertainment	24,502	24,101	24,064	23,463
Utilities	8,164	8,528	8,089	8,391
Software maintenance and licence fees	25,855	21,762	25,609	21,598
Other expenses	14,503	11,152	13,329	10,973
Total other expenses	259,051	240,271	256,224	236,283

#1 Consultancy fees are disclosed separately in the current year, having previously been included within professional services. Comparative figures have been restated to align with the current year's presentation.

#2 Certain scholarship expenses were reclassified and presented as a reduction to student fee revenue to reflect the underlying transaction, as disclosed in Note 3.3. Comparative figures have been restated to align with the current year's presentation.

11. Cash and Cash Equivalents

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	43,652	39,016	27,148	22,569
Total cash and cash equivalents	43,652	39,016	27,148	22,569

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FOR THE YEAR ENDED 31 DECEMBER 2025

11. Cash and Cash Equivalents (continued)**(a) Restricted cash**

As at 31 December 2025 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 3.60% and 4.60% (2024: 4.35% and 4.60%).

12. Trade and Other Receivables

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current				
Trade receivables	25,280	22,569	24,746	20,124
Student fees	3,171	3,619	3,159	3,619
Less: allowance for expected credit losses	(2,088)	(1,736)	(2,087)	(1,729)
	<u>26,363</u>	<u>24,452</u>	<u>25,818</u>	<u>22,014</u>
Prepayments	28,483	39,970	28,114	39,620
Related party receivables	-	-	3,089	2,554
Other receivables	11,254	6,128	11,120	6,045
Contract asset	11,984	10,278	11,855	9,940
Total current receivables	<u>78,084</u>	<u>80,828</u>	<u>79,996</u>	<u>80,173</u>
Non-current				
Deferred government benefit for superannuation 31(d)	260,519	285,844	260,519	285,844
Other receivables	397	403	-	-
Total non-current receivables	<u>260,916</u>	<u>286,247</u>	<u>260,519</u>	<u>285,844</u>
Total receivables	<u>339,000</u>	<u>367,075</u>	<u>340,515</u>	<u>366,017</u>

Accounting Policy**Classification and measurement**

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.

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

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
At 1 January	1,736	1,207	1,729	1,171
Provision for expected credit losses	2,089	1,736	2,087	1,729
Write-off	(660)	(534)	(658)	(530)
Unused amount reversed	(1,077)	(673)	(1,071)	(641)
At 31 December	<u>2,088</u>	<u>1,736</u>	<u>2,087</u>	<u>1,729</u>

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

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13. Other Financial Assets

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current				
Other financial assets at fair value through the profit and loss	8,148	-	-	-
Other financial assets at amortised cost	115,878	117,071	111,000	112,000
Total current other financial assets	124,026	117,071	111,000	112,000
Non-Current				
Other financial assets at fair value through other comprehensive income	9,951	9,920	9,951	9,920
Other financial assets at fair value through profit and loss	560,458	511,612	560,544	511,698
Total non-current other financial assets	570,409	521,532	570,495	521,618
Total other financial assets	694,435	638,603	681,495	633,618

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)).

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 2025, the Group held financial assets subject to restrictions of \$124.3 million (2024: \$110.6 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

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FOR THE YEAR ENDED 31 DECEMBER 2025

13. Other Financial Assets (continued)

Accounting Policy (continued)

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.

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.

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FOR THE YEAR ENDED 31 DECEMBER 2025

13. Other Financial Assets (continued)

Accounting Policy (continued)

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.

THE UNIVERSITY OF NEWCASTLE

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14. Property, Plant and Equipment

	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 2024									
- Cost	51,511	-	29,053	200,391	2,872	3,868	287,695	32,554	320,249
- Valuation Accumulated depreciation and impairment	-	88,425	941,297	-	-	105,351	1,135,073	-	1,135,073
Net book amount	51,511	88,425	(39,310)	(111,381)	2,872	(5,136)	(155,827)	(6,491)	(162,318)
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	-	-	1,266,941	26,063	1,293,004
Disposals	(40,976)	-	(33)	(83)	-	(14)	87,119	2,071	89,190
Transfers	-	1,760	29,011	15,376	-	(5,106)	(130)	-	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
- Valuation Accumulated depreciation and impairment	-	91,958	1,020,212	-	-	103,757	1,215,927	-	1,215,927
Net book amount	92,745	92,016	(21,011)	(112,141)	2,872	(2,654)	(135,806)	(6,981)	(142,787)
Year ended 31 December 2025									
Opening net book amount	92,745	92,016	1,000,796	94,176	2,872	101,241	1,383,846	30,681	1,414,527
Additions	138,585	10,000	1,000,796	94,176	2,872	101,241	1,383,846	30,681	1,414,527
Disposals	(486)	-	-	2,376	120	-	151,081	559	151,640
Transfers	(124,334)	-	102,479	(321)	-	-	(807)	-	(807)
Revaluation increment/(decrement)	-	1,927	39,001	16,249	-	5,851	245	-	245
Re-measurement of lease liability	-	-	-	-	-	4,172	45,100	-	45,100
Depreciation charge	-	-	(35,726)	(15,269)	-	(5,438)	(56,433)	(169)	(59,966)
Impairment charge	(149)	-	-	(72)	-	-	(221)	-	(221)
Closing net book amount	106,361	103,943	1,106,550	97,139	2,992	105,826	1,522,811	27,538	1,550,349
As at 31 December 2025									
Cost	106,361	103,943	88,416	216,588	2,992	4,270	418,627	37,621	456,248
Fair value Accumulated depreciation and impairment	-	-	1,040,527	-	-	104,365	1,248,835	-	1,248,835
Net book amount	106,361	103,943	(22,393)	(119,449)	2,992	(2,809)	(144,651)	(10,083)	(154,734)
	106,361	103,943	1,106,550	97,139	2,992	105,826	1,522,811	27,538	1,550,349

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	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 2024									
- 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
Accumulated 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	-	-	4,700	-	-	89,964	2,071	92,035
Disposals	-	-	(33)	(85)	-	(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	43,692	383,130
- Valuation	-	91,958	1,020,212	-	-	103,757	1,215,927	-	1,215,927
Accumulated 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
Year ended 31 December 2025									
Opening net book amount	94,052	92,016	1,024,669	95,089	2,872	103,035	1,411,733	33,934	1,445,667
Addition	141,745	10,000	173	2,570	120	-	154,608	1,115	155,723
Disposal	(486)	-	-	(321)	-	-	(807)	-	(807)
Transfers	(124,334)	-	102,490	16,249	-	5,851	256	-	256
Revaluation increment/(decrement)	-	1,927	19,327	-	-	2,378	23,632	-	23,632
Re-measurement of lease liability	-	-	(35,484)	(15,462)	-	(5,438)	(56,384)	1,175	1,175
Depreciation charge	-	-	-	(72)	-	-	(221)	(4,428)	(4,649)
Impairment charge	(149)	-	(3)	(2)	-	-	(5)	(13)	(18)
Effect of foreign currency translation	-	-	-	-	-	-	-	-	-
Closing net book amount	110,828	103,943	1,111,172	98,051	2,992	105,826	1,532,812	31,783	1,564,595
As at 31 December 2025									
Cost	110,828	-	116,326	219,241	2,992	6,065	455,452	44,811	500,263
Fair value	-	103,943	1,020,714	-	-	102,570	1,227,227	-	1,227,227
Accumulated depreciation	-	-	(25,868)	(121,190)	-	(2,809)	(149,867)	(13,028)	(162,895)
Net book amount	110,828	103,943	1,111,172	98,051	2,992	105,826	1,532,812	31,783	1,564,595

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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 2025 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.

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.

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.

THE UNIVERSITY OF NEWCASTLE

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FOR THE YEAR ENDED 31 DECEMBER 2025

14. Property, Plant and Equipment (continued)

Right-of-use assets Buildings	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
At 1 January	31,577	27,567	29,478	25,118
Additions of right-of-use assets	506	1,454	506	1,454
Depreciation charge	(3,986)	(3,493)	(3,115)	(2,713)
Re-measurement of lease liability	1,175	5,925	(169)	5,619
Other movements	(13)	124	-	-
At 31 December	29,259	31,577	26,700	29,478

Right-of-use assets Equipment	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
At 1 January	2,357	2,111	1,203	945
Additions of right-of-use assets	609	617	53	617
Depreciation charge	(442)	(371)	(418)	(359)
At 31 December	2,524	2,357	838	1,203

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 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.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

15. Intangible Assets

Parent	Computer Software \$'000	Intellectual Property \$'000	Work in Progress \$'000	Total \$'000
As at 1 January 2024				
Cost	28,934	2,681	6,795	38,410
Accumulated depreciation and impairment	<u>(22,953)</u>	<u>(1,042)</u>	<u>-</u>	<u>(23,995)</u>
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	<u>(5)</u>	<u>(302)</u>	<u>(40)</u>	<u>(347)</u>
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	<u>(27,328)</u>	<u>(1,499)</u>	<u>(39)</u>	<u>(28,866)</u>
Net book amount	3,616	1,885	29,814	35,315
Year ended 31 December 2025				
Opening net book amount	3,616	1,885	29,814	35,315
Additions	-	278	24,088	24,366
Disposal	-	-	-	-
Transfers	28,378	5	(28,637)	(254)
Amortisation charge	(5,213)	(174)	-	(5,387)
Impairment charge	<u>-</u>	<u>(42)</u>	<u>(210)</u>	<u>(252)</u>
Closing net book amount	26,781	1,952	25,055	53,788
As at 31 December 2025				
Cost	49,831	3,115	25,055	78,001
Accumulated depreciation and impairment	<u>(23,050)</u>	<u>(1,163)</u>	<u>-</u>	<u>(24,213)</u>
Net book amount	<u>26,781</u>	<u>1,952</u>	<u>25,055</u>	<u>53,788</u>

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

15. Intangible Assets (continued)

Consolidated	Computer Software \$'000	Intellectual Property \$'000	Work in Progress \$'000	Total \$'000
As at 1 January 2024				
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
Additions	-	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
Year ended 31 December 2025				
Opening net book amount	3,627	1,885	29,852	35,364
Addition	-	278	24,098	24,376
Disposals	-	-	-	-
Transfers	28,424	5	(28,685)	(256)
Amortisation	(5,226)	(174)	-	(5,400)
Impairment	<u>-</u>	<u>(42)</u>	<u>(210)</u>	<u>(252)</u>
Closing net book amount	26,825	1,952	25,055	53,832
As at 31 December 2025				
Cost	49,949	3,330	25,055	78,334
Accumulated amortisation and impairment	<u>(23,124)</u>	<u>(1,378)</u>	-	<u>(24,502)</u>
Net book amount	26,825	1,952	25,055	53,832

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

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

Internal-use software is recognised at cost and amortised over the useful life of up to 5 years.

Impairment Tests and Key Assumptions

The Group undertakes annual assessment of impairment for intangible assets in line with AASB136 *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 2025, as follows:

- IP Assets – the University determined that a number of patents were abandoned in 2025. A total impairment of \$0.1 million (2024: \$0.2million) has been recognised.
- IT Software – the University identified several IT Software assets which were no longer in use in 2025. There has been no impairment (2024: Nil) recognised.

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FOR THE YEAR ENDED 31 DECEMBER 2025

16. Trade and Other Payables

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current				
Unsecured liabilities				
OS-HELP liability to Australian Government	7,286	6,959	7,286	6,959
Trade payables	51,916	41,080	50,143	39,530
Related party payables	-	-	5,889	6,659
Government grant payable	2,363	9,297	2,363	9,297
Other payables	10,131	8,076	7,976	7,039
Total current trade and other payables	71,696	65,412	73,657	69,484

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	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Australian Dollars	61,512	56,231	66,225	56,222
Euros	22	33	22	33
Great British Pounds	24	-	24	-
Singaporean Dollars	2,751	2,134	-	2,134
US Dollars	100	68	100	68

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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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

17. Borrowings

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current				
Lease liability	3,135	2,941	2,821	2,053
Secured bank loans	25,000	5,000	25,000	5,000
Total current borrowings	28,135	7,941	27,821	7,053
Non-Current				
Lease liability	7,535	8,983	4,955	7,981
Total non-current borrowings	7,535	8,983	4,955	7,981
Total Borrowings	35,670	16,924	32,776	15,034
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	(25,000)	(5,000)	(25,000)	(5,000)
Unused at balance date	55,000	75,000	55,000	75,000
Credit card facilities				
Total facilities	10,250	10,250	10,000	10,000
Used at balance date	(1,137)	-	(1,020)	-
Unused at balance date	9,113	10,250	8,980	10,000
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

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FOR THE YEAR ENDED 31 DECEMBER 2025

17.1 University as Lessee

Amounts recognised in the income statement	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Interest on lease liabilities	463	204	396	150
Expenses relating to short-term leases	173	181	-	-
Expenses relating to leases of low-value assets, excluding short term leases of low-value assets	3,597	3,774	3,539	3,735
	4,233	4,159	3,935	3,885

Maturity analysis - undiscounted contractual cash flows	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Less than one year	4,435	3,310	3,142	2,145
One to five years	7,079	11,459	5,237	10,162
Total undiscounted contractual cash flows	11,514	14,769	8,379	12,307
Current	3,135	2,941	2,821	2,053
Non-current	7,535	8,983	4,955	7,981
Lease liabilities recognised in the statement of financial position	10,670	11,924	7,776	10,034

Accounting Policy**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.

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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FOR THE YEAR ENDED 31 DECEMBER 2025

18. Provisions

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current provisions expected to be settled within 12 months				
Employee benefits				
Annual leave	29,291	29,165	28,369	28,292
Long service leave	15,558	14,991	15,429	14,850
Contract severance	1,925	2,217	1,925	2,217
Defined benefit obligation	2,201	2,263	2,201	2,263
Other employee provisions	738	1,295	738	1,183
Redundancy	7,761	1,343	7,761	1,343
	<u>57,474</u>	<u>51,274</u>	<u>56,423</u>	<u>50,148</u>
Current provisions expected to be settled after more than 12 months				
Employee benefits				
Annual leave	8,945	9,033	8,763	8,830
Long service leave	53,177	52,931	52,571	52,368
	<u>62,122</u>	<u>61,964</u>	<u>61,334</u>	<u>61,198</u>
Total current provisions	<u>119,596</u>	<u>113,238</u>	<u>117,757</u>	<u>111,346</u>
Non-current provisions				
Employee benefits				
Long service leave	14,281	14,661	13,832	14,323
Provision for employee benefits	18,496	20,124	18,496	20,124
Defined benefit obligation	31(d) 260,519	285,844	260,519	285,844
Total non-current provisions	<u>293,296</u>	<u>320,629</u>	<u>292,847</u>	<u>320,291</u>
Total provisions	<u>412,892</u>	<u>433,867</u>	<u>410,604</u>	<u>431,637</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.

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18. Provisions (continued)**Accounting Policy (continued)****(ii) Other long-term obligations**

The liability for other long-term benefits is 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 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	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current				
Income received in advance	<u>193,538</u>	<u>163,966</u>	<u>190,936</u>	<u>160,197</u>
Total current other liabilities	<u>193,538</u>	<u>163,966</u>	<u>190,936</u>	<u>160,197</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:

Associate Professor Brendan Boyle
 The Hon. Dr John Della Bosca AM
 Mr Jacob Carson
 Mr Noel Cornish AM
 Ms Elizabeth Crouch AM - appointed 01/01/2025
 Mr Jason Darney
 Professor Michael Di Rienzo
 Ms Laura Dowling - appointed 01/01/2025
 The Hon Patricia Forsythe AM
 Ms Liz Nicol
 Ms Julie Phillips
 Associate Professor Marcus Rodrigs - appointed 01/01/2025
 Ms Shireen Syed - resigned 06/06/2025
 Ms Wendy Taggart - appointed 07/06/2025
 Ms Annika Westrenius
 Mr Kevin Young
 Professor Alex Zelinsky AO

(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:

Ms Dianne Allen - resigned 11/11/2025
 Professor Kent Anderson - resigned 03/03/2025
 Professor Simon Barrie - appointed between 17/03/2025-05/05/2025
 Professor Mike Bowyer
 Mr Daniel Bell - appointed 11/11/2025
 Mrs Loren Collyer - appointed 17/03/2025
 Mr Warwick Dawson - appointed 29/11/2025
 Professor Robert Greenberg
 Professor Mark Hoffman - resigned 14/03/2025
 Professor Kerri-Lee Krause - resigned 17/03/2025
 Professor Chris Dayas – appointed between 12/05/2025 – 28/07/2025
 Mr Trevor Woods – appointed between 24/03/2025 – 31/10/2025
 Mr Paul McCubbin
 Mr Joel Palmer
 Professor Craig Simmons
 Professor Elizabeth Sullivan – resigned 28/02/2025
 Mr Martin Sainsbury
 Mr Nathan Towney
 Mr David Toll
 Professor Belinda Tynan - appointed 28/07/2025
 Professor Zee Upton - resigned 28/11/2025
 Professor Lisa Wood
 Professor Alex Zelinsky AO

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

	Consolidated		Parent	
	2025	2024	2025	2024
Remuneration of council members				
Nil to \$9,999	2	3	2	3
\$10,000 to \$19,999	6	5	6	5
\$20,000 to \$29,999	2	2	2	2
\$40,000 to \$49,999	1	1	1	1
\$50,000 to \$59,999	-	1	-	1
\$80,000 to \$89,999	1	-	1	-
\$130,000 to \$139,999	1	-	1	-
\$160,000 to \$169,999	1	-	1	-
\$190,000 to \$199,999	-	2	-	2
\$220,000 to \$229,999	-	1	-	1
\$230,000 to \$239,999	2	-	2	-
\$500,000 to \$510,000	-	1	-	1
\$1,020,000 to \$1,029,999	-	1	-	1
\$1,030,000 to \$1,039,999	1	-	1	-
	<u>17</u>	<u>17</u>	<u>17</u>	<u>17</u>
Remuneration of executive officers				
\$40,000 to \$49,999	1	-	1	-
\$50,000 to \$59,999	1	-	1	-
\$70,000 to \$79,999	2	-	2	-
\$80,000 to \$89,999	1	1	1	1
\$90,000 to \$99,999	2	-	2	-
\$110,000 to \$119,999	-	1	-	1
\$130,000 to \$139,999	1	-	1	-
\$150,000 to \$159,999	-	1	-	1
\$230,000 to \$239,999	1	-	1	-
\$270,000 to \$279,999	1	1	1	1
\$280,000 to \$289,999	-	1	-	1
\$290,000 to \$299,999	-	1	-	1
\$300,000 to \$309,999	1	-	1	-
\$320,000 to \$329,999	-	1	-	1
\$330,000 to \$339,999	1	-	1	-
\$340,000 to \$349,999	1	1	1	1
\$350,000 to \$359,999	-	1	-	1
\$360,000 to \$369,999	1	-	1	-
\$380,000 to \$389,999	1	-	1	-
\$390,000 to \$399,999	-	-	-	-
\$400,000 to \$409,999	-	-	-	-
\$420,000 to \$429,999	1	-	1	-
\$430,000 to \$439,999	-	1	-	1
\$450,000 to \$459,999	2	-	2	-
\$460,000 to \$469,999	-	-	-	-
\$470,000 to \$479,999	2	1	2	1
\$480,000 to \$489,999	-	1	-	1
\$500,000 to \$509,999	-	1	-	1
\$560,000 to \$569,999	-	2	-	2
\$580,000 to \$589,999	1	-	1	-
\$590,000 to \$599,999	-	1	-	1
\$680,000 to \$689,999	-	1	-	1
\$1,020,000 to \$1,029,999	-	1	-	1
\$1,030,000 to \$1,039,999	1	-	1	-
\$1,310,000 to \$1,319,999	1	-	1	-
	<u>23</u>	<u>18</u>	<u>23</u>	<u>18</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.

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FOR THE YEAR ENDED 31 DECEMBER 2025

20. Key Management Personnel Disclosures (continued)**(d) Key Management Personnel Compensation**

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Short-term employee benefits	6,260	7,077	6,260	7,077
Post-employment benefits	1,052	1,042	1,052	1,042
Termination benefits	790	299	790	299
Total key management personnel compensation	8,102	8,418	8,102	8,418

21. Remuneration of Auditors

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
Audit the Financial Statements				
Audit Office of NSW	581,100	514,100	411,000	359,000
BDO Singapore	23,737	20,973	-	-
Total paid for audit	604,837	535,073	411,000	359,000

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	
	2025	2024	2025	2024
	\$	\$	\$	\$
Other services				
Bentleys MRI	5,910	3,425	5,910	3,425
Ernst and Young	592,368	554,675	592,368	554,675
Pitcher Partners	12,000	11,700	12,000	11,700
Total paid for other services	610,278	569,800	610,278	569,800

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

Bentleys MRI provide audit services for funding acquittals.

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

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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	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Consolidated					
Other financial assets at fair value through other comprehensive income	13	9,951	9,920	9,951	9,920
Other financial assets at fair value through profit or loss	13	568,606	511,612	568,606	511,612
Other financial assets at amortised costs	13	115,878	117,071	115,878	117,071
Total		694,435	638,603	694,435	638,603

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.

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).

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22. Fair Value Measurement (continued)**(b) Fair Value Hierarchy (continued)****(i) Recognised fair value measurements**

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2025.

Fair value measurements at 31 December 2025

Consolidated	Note	2025 \$'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	9,951	-	-	9,951
Other financial assets at fair value through profit and loss	13	568,606	-	473,736	94,870
Other financial assets at amortised costs	13	115,878	-	115,878	-
Total financial assets		694,435	-	589,614	104,821
Non-financial assets					
Land and buildings					
Land	14	103,943	-	103,943	-
Buildings	14	1,111,172	-	1,088	1,110,084
Infrastructure	14	105,826	-	-	105,826
Total non-financial assets		1,320,941	-	105,031	1,215,910

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 assets 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		638,603	-	540,089	98,514
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		1,219,720	-	93,118	1,126,602

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 2025 and 2024.

Consolidated

Level 3 Fair Value Measurement 2025	Unlisted Shares \$'000	Unlisted Managed Funds \$'000	Infrastructure \$'000	Buildings \$'000	Total \$'000
Opening balance	9,920	88,594	103,035	1,023,567	1,225,116
Additions	-	2,781	-	173	2,954
Disposals	-	(3)	-	-	(3)
Transfers	-	-	5,852	102,488	108,340
Depreciation	-	-	4,171	(35,283)	(31,112)
Revaluation	31	3,498	(7,232)	19,139	15,436
Closing balance	9,951	94,870	105,826	1,110,084	1,320,731

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

(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 2025 \$'000	Unobservable inputs*	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Buildings	1,110,084	Remaining useful life	+/- 5%	Increase term of useful life by 5% would increase fair value by \$52 million. Decrease term of useful life by 5% would decrease fair value by \$52 million
Infrastructure	105,826	Remaining useful life	+/- 5%	Increase term of useful life by 5% would increase fair value by \$5.2 million. Decrease term of useful life by 5% would decrease fair value by \$5.2 million

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

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22. Fair Value Measurement (continued)

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

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.

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.

23. Interests in Other Entities

(a) Subsidiaries

The Group's principal subsidiaries as at 31 December 2025 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	
		2025 %	2024 %
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 \$6.4 million (2024: \$8.6 million).

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23. Interests in Other Entities (continued)**(b) Interests in associates**

Set out below are the associates of the Group as at 31 December 2025. 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	
			2025	2024	2025	2024
			%	%	\$'000	\$'000
Hunter Medical Research Institute	Australia	Equity Method	25.00	25.00	-	-
ResTech	Australia	Equity Method	30.00	30.00	182	239
Universities Innovation Investment Trust No. 10	Australia	Equity Method	25.00	25.00	712	518

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 2025.

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 2025.

(c) Interests in joint ventures

Set out below are the joint ventures of the Group as at 31 December 2025. 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	
			2025	2024	2025	2024
			%	%	\$'000	\$'000
NSWCo Pty Ltd	Australia	Equity Method	25.00	25.00	-	-

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(a).

(c) Key Management Personnel

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

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FOR THE YEAR ENDED 31 DECEMBER 2025

24. Related Parties (continued)**(d) Transactions with Related Parties**

The following transactions occurred with related parties:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
i) Subsidiaries				
Sale of goods and services				
Service fees	-	-	5,086	3,604
Consultancy, consumables and others	-	-	1,194	1,083
Other revenue	-	-	-	79
Purchase of goods				
Other expenses	-	-	6,135	5,743
Other transactions				
Interest expense	-	-	454	1
Financial assistance provided	-	-	336	-
ii) Associates				
Sale of goods and services				
Consultancy and contracts	10,190	12,304	10,190	12,304
Other revenue	557	924	557	924
Purchase of goods				
Other expenses	6,102	8,401	6,102	8,401
Other transactions				
Interest income	250	595	250	595
Dividend received from Associate	-	4	-	4
iii) Joint Ventures				
Other transactions				
Contributions	-	-	-	-

(e) Outstanding Balances

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

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current receivables (sale of goods and services)				
Subsidiaries	-	-	5,078	1,828
Associates	17	72	17	72
Total current receivables	<u>17</u>	<u>72</u>	<u>5,095</u>	<u>1,900</u>
Current payables (purchase of goods and services)				
Subsidiaries	-	-	13	-
Associates	178	-	178	-
Current payables (other transactions)				
Subsidiaries	-	-	5,175	-
Total current payables	<u>178</u>	<u>-</u>	<u>5,366</u>	<u>-</u>
Non-current payables (other transactions)				
Subsidiaries	-	-	-	4,756
Total non-current payables	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,756</u>

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.

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24. Related Parties (continued)**(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 \$2.1 million bank guarantee facility in place, predominantly being security for a rental bond which expires on 31 December 2029 (2024: \$1.8 million).

(ii) Support of NUservices Pty Ltd

The University continues to provide commitment to provide financial support to NUservices Pty Ltd in 2025 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 19 March 2027.

(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 2025 and is working with relevant Council's where required. The estimated cost of the remediation is \$0.8 million.

(iv) Workers Compensation

At 31 December 2025, the Group had \$4.6 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 (2024: \$5.7 million).

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

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Net result for the period	112,477	61,314	104,266	58,160
Depreciation and amortisation	66,212	62,530	65,353	60,813
Impairment of assets (excl. trade receivables)	473	1,033	473	1,029
Net (gain) / loss on sale of property, plant and equipment	208	(109)	774	(96)
Net exchange differences	(35)	104	-	-
Net (gain) / loss disposal of other financial assets	(681)	(2,156)	(681)	(2,156)
Distributions reinvested	(18,610)	(40,102)	(18,610)	(40,102)
Fair value (gains) / losses on other financial assets at fair value through the income statement	(30,990)	(4,828)	(30,986)	(4,828)
Changes in assets and liabilities associated with operating activities				
(Increase) / Decrease in trade debtors	(1,911)	(6,125)	(3,804)	(6,170)
(Increase) / Decrease in other receivables	29,986	12,126	29,841	12,131
Decrease in related party receivables	-	-	(535)	(1,493)
(Increase) / Decrease in inventories	(51)	(12)	-	-
Increase / (Decrease) in trade creditors	10,836	(14,038)	10,613	(13,364)
Increase / (Decrease) in other operating liabilities	20,768	7,422	24,475	4,488
Increase / (Decrease) in provision for income taxes payable	570	110	-	-
Increase / (Decrease) in related party payables	-	-	(770)	(212)
Increase / (Decrease) in other provisions	(20,975)	(19,396)	(21,033)	(19,682)
Net cash provided by / (used in) operating activities	168,277	57,873	159,376	48,518

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

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Reserves				
Property, plant and equipment revaluation surplus	717,907	694,275	717,768	672,668
Foreign currency translation surplus	1,718	1,943	-	-
Defined benefit actuarial assumptions reserves	6,646	6,415	6,646	6,415
FVOCI reserve	9,940	9,909	9,941	9,910
Total reserve	736,211	712,542	734,355	688,993

Movements	Note	Consolidated		Parent	
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
Foreign currency translation surplus					
Balance 1 January		1,943	1,261	-	-
Currency translation differences arising during the year		(225)	682	-	-
Balance 31 December		1,718	1,943	-	-
Property, plant and equipment revaluation surplus					
Balance 1 January		694,275	613,839	672,668	588,919
Revaluation increment/(decrement)	14	23,632	80,436	45,100	83,749
Transfer to retained earnings		-	-	-	-
Balance 31 December		717,907	694,275	717,768	672,668
Defined benefit actuarial remeasurements					
Balance 1 January		6,415	6,909	6,415	6,909
Revaluation increment/(decrement)		231	(494)	231	(494)
Balance 31 December		6,646	6,415	6,646	6,415
FVOCI reserve					
Balance 1 January		9,909	753	9,910	754
Revaluation increment/(decrement)		31	9,156	31	9,156
Balance 31 December		9,940	9,909	9,941	9,910
Total reserves		736,211	712,542	734,355	688,993

Movements in retained earnings were as follows:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Retained earnings at 1 January	1,133,392	1,072,078	1,106,743	1,048,583
Net result for the period	112,477	61,314	104,266	58,160
Retained earnings at end of the financial year	1,245,869	1,133,392	1,211,009	1,106,743

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27. Reserves and Retained Earnings (continued)

(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.

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.

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29. Financial Risk Management (continued)**(a) Market Risk (continued)****(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 2025, 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 2025	Carrying Amount	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
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets													
Cash and Cash Equivalents - at bank	43,652	(1,310)	(1,310)	1,310	1,310	(956)	(956)	956	956	-	-	-	-
Receivables	337,651	-	-	-	-	(129)	(129)	129	129	-	-	-	-
Financial assets	694,435	-	-	-	-	-	-	-	-	-(138,887)	(138,887)	138,887	138,887
Financial Liabilities													
Payables	64,410	-	-	-	-	(431)	(431)	432	432	-	-	-	-
Borrowing	35,670	357	357	(357)	(357)	(794)	(794)	794	794	-	-	-	-
Total increase / (decrease)		(953)	(953)	953	953	(2,310)	(2,310)	2,311	2,311	(138,887)	(138,887)	138,887	138,887

31 December 2024	Restated Carrying Amount	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
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
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

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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 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 2025	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	0.02%	0.06%	0.12%	0.19%	0.30%	2.47%	
Cross carrying amount - trade receivables	7,139,915	1,794,672	336,539	259,376	67,869	9,260,505	18,858,876
Loss allowance	1,486	1,007	338	488	205	1,374,690	1,378,214
University - Student Debtors							
Expected credit loss rate	0.39%	4.59%	6.61%	8.09%	18.56%	-	
Cross carrying amount - trade receivables	272,268	79,616	274,619	495,892	2,036,162	-	3,158,558
Loss allowance	1,057	3,651	18,139	40,135	646,200	-	709,182
TUNRA - Trade Debtors							
Expected credit loss rate	-	-	-	-	-	-	
Cross carrying amount - trade receivables	1,317,452	149,113	54,890	30,800	24,145	-	1,576,400
Loss allowance	-	-	-	-	-	-	-
Total loss allowance							<u>2,087,396</u>

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

31 December 2024	Trade receivables						Total
	Current	< 30 days	30-60 days	61-90 days	91-120 days	>120 days	
	\$	\$	\$	\$	\$	\$	\$
University - General Debtors							
Expected credit loss rate	0.04%	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	45,292	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	-	3,618,570
Loss allowance	2,206	3,607	4,337	40,964	974,342	-	1,025,456
TUNRA - Trade Debtors							
Expected credit loss rate	-	-	-	-	-	-	
Cross carrying amount - trade receivables	1,074,726	549,085	16,170	15,812	62,819	-	1,718,612
Loss allowance	-	-	-	-	-	-	-
Total loss allowance							<u>1,729,063</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 \$43.7 million (2024: \$39.0 million) and had available facilities of \$65.0 million (2024: \$85.0 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 \$71.7 million at year end (2024: \$65.4 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	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment				
Within one year	116,262	69,924	116,262	69,924
Between one year and five years	1,480	-	1,480	-
Total property, plant and equipment	<u>117,742</u>	<u>69,924</u>	<u>117,742</u>	<u>69,924</u>

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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 (2024: Nil).

The weighted average duration of the defined benefit obligation is 8.0 years (2024: 8.3 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 2025	25,651	25,283	70,180	274,258	395,372
Defined benefit obligations - 31 December 2024	25,056	25,071	70,987	275,458	396,572
Pension benefit obligations - 31 December 2025	2,141	2,092	5,606	13,772	23,611
Pension benefit obligations - 31 December 2024	2,207	2,171	5,877	15,478	25,733

(b) Categories of Plan Assets

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

	2025 %	2024 %
	Active Market	Active Market
Australian equities	11.78	20.61
International equities	41.56	40.07
Australian fixed interest	1.68	0.34
International fixed interest	0.62	0.56
Property	6.94	6.66
Short-term securities	7.26	6.22
Alternatives	30.16	25.54
Total	100.00	100.00

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

	2025 %	2024 %
Discount rate(s)	4.80	4.41
Expected rate(s) of CPI increase	3.25	3.80
Expected rate(s) of salary increase	3.74	4.75

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FOR THE YEAR ENDED 31 DECEMBER 2025

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 3.87%	Decrease by 3.61%
Salary growth rate	0.50%	Increase by 0.06%	Decrease by 0.06%
CPI increase	0.50%	Increase by 4.24%	Decrease by 3.99%

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.

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FOR THE YEAR ENDED 31 DECEMBER 2025

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

Amounts recognised in the statement of financial position - 2025	\$'000	\$'000	\$'000	\$'000	\$'000
	Pension	SANCS	SSS	SASS	Total
Liabilities					
Provision for deferred government benefits for superannuation	-	(1,901)	254,122	8,298	260,519
Provision for pension entitlements	17,302	-	-	-	17,302
add: On-costs on pension entitlements	3,395	-	-	-	3,395
Total liabilities recognised in the statement of financial position	20,697	(1,901)	254,122	8,298	281,216
Assets					
Receivable for deferred government benefit for superannuation	-	(1,901)	254,122	8,298	260,519
Total assets recognised in the statement of financial position	-	(1,901)	254,122	8,298	260,519
Net liability recognised in the statement of financial position	20,697	-	-	-	20,697
	\$'000	\$'000	\$'000	\$'000	\$'000
	Pension	SANCS	SSS	SASS	Total
Net liability reconciliation - 2025					
Defined benefit obligation	17,302	1,168	278,689	14,045	311,204
Fair value of plan assets	-	(3,069)	(24,567)	(5,747)	(33,383)
Net liability	17,302	(1,901)	254,122	8,298	277,821
	\$'000	\$'000	\$'000	\$'000	\$'000
	Pension	SANCS	SSS	SASS	Total
Present value of obligation - 2025					
Opening defined benefit obligation	18,957	1,344	302,088	16,358	338,747
Current service cost	-	53	-	27	80
Interest expense	790	52	12,822	669	14,333
	19,747	1,449	314,910	17,054	353,160
Remeasurements					
Actuarial losses / (gains) arising from changes in demographic assumptions	-	-	-	-	-
Actuarial losses / (gains) arising from changes in financial assumptions	(231)	(25)	(7,370)	(169)	(7,795)
Experience (gains) / losses	-	(28)	(4,154)	(991)	(5,173)
	(231)	(53)	(11,524)	(1,160)	(12,968)
Contributions from plan participants	-	-	10	96	106
Payments from plan					
Benefits paid	(2,214)	(186)	(22,807)	(2,219)	(27,426)
Taxes, premiums and expenses paid	-	(42)	(1,900)	274	(1,668)
	(2,214)	(228)	(24,707)	(1,945)	(29,094)
Closing defined benefit obligation	17,302	1,168	278,689	14,045	311,204

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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 - 2025					
Opening fair value of plan assets	-	3,823	22,957	7,166	33,946
Interest (income)	-	147	1,072	264	1,483
	-	3,970	24,029	7,430	35,429
Remeasurements					
Return on plan assets, excluding amounts included in net interest expense	-	(19)	(134)	167	14
Contributions					
Employers	-	(655)	25,369	-	24,714
Plan participants	-	-	11	96	107
	-	(655)	25,380	96	24,821
Payments from plan					
Benefits paid	-	(186)	(22,807)	(2,219)	(25,212)
Taxes, premiums and expenses paid	-	(42)	(1,900)	274	(1,668)
	-	(228)	(24,707)	(1,945)	(26,880)
Closing defined benefit obligation	-	3,068	24,568	5,748	33,384

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

Net liability reconciliation - 2024	\$'000	\$'000	\$'000	\$'000	\$'000
	Pension	SANCS	SSS	SASS	Total
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

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FOR THE YEAR ENDED 31 DECEMBER 2025

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 - 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
	\$'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

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FOR THE YEAR ENDED 31 DECEMBER 2025

31. Defined Benefit Plans (continued)**(e) Amounts Recognised in Other Statements****Amounts recognised in the Income Statement - 2025**

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.

	Note	\$'000 Pension	\$'000 SANCS	\$'000 SSS	\$'000 SASS	\$'000 Total
Interest cost		790	-	-	-	790
Total expense recognised in the Income Statement	5	790	-	-	-	790

Amounts recognised in other comprehensive income - 2025

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).

	Note	\$'000 Pension	\$'000 SANCS	\$'000 SSS	\$'000 SASS	\$'000 Total
Remeasurements						
Actuarial losses / (gains) arising from changes in financial assumptions		(231)	-	-	-	(231)
Total amounts recognised in the Statement of Comprehensive Income		(231)	-	-	-	(231)

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.

	Note	\$'000 Pension	\$'000 SANCS	\$'000 SSS	\$'000 SASS	\$'000 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).

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

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.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

31. Defined Benefit Plans (continued)

Accounting Policy (continued)

Retirement benefit obligations (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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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		National Priorities and Industry Linkage Fund	
		2025	2024	2025	2024	2025	2024	2025	2024
		\$'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)		270,603	255,974	4,406	4,154	6,405	12,517	8,203	7,880
Net adjustments		2,056	(389)	-	-	(1)	(1,004)	-	-
Revenue and income for the period Surplus / (deficit) from the previous year	3.1(a)	272,659	255,585	4,406	4,154	6,404	11,513	8,203	7,880
Total revenue and income including accrued revenue		-	-	329	249	379	620	-	-
Less expenses including accrued expenses		272,659	255,585	4,735	4,403	6,783	12,133	8,203	7,880
Surplus / (deficit) for reporting period		(272,659)	(255,585)	(4,073)	(4,074)	(6,782)	(11,754)	(8,203)	(7,880)
		-	-	662	329	1	379	-	-

	Note	Promotion of Excellence in Learning and Teaching		Higher Education Disability Support Program ^{#3}		Other ^{#4}		Total	
		2025	2024	2025	2024	2025	2024	2025	2024
		\$'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)		-	-	2,343	433	198	-	291,960	280,958
Net adjustments		-	-	-	-	102	1,936	2,355	543
Revenue and income for the period Surplus / (deficit) from the previous year	3.1(a)	-	-	2,343	433	300	1,936	294,315	281,501
Total revenue and income including accrued revenue		-	1	97	83	-	-	805	953
Less expenses including accrued expenses		-	1	2,440	516	300	1,936	295,120	282,454
Surplus / (deficit) for reporting period		-	(1)	(919)	(419)	(300)	(1,936)	(292,804)	(281,649)
		-	-	1,521	97	-	-	2,316	805

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

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

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

#4 Includes the administrative component of Commonwealth Prac Payment receipts to support system and process implementation only.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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	
		2025	2024	2025	2024	2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent Entity (University) Only									
Cash payable / (receivable) at the beginning of year		323	1,982	362	260	327	35	1,012	2,277
Financial assistance received in cash during the reporting period		159,633	147,744	17,897	14,672	5,992	6,245	183,522	168,661
Cash available for period		159,956	149,726	18,259	14,932	6,319	6,280	184,534	170,938
Revenue earned	3.1(b)	161,284	149,403	17,582	14,570	5,908	5,953	184,774	169,926
Cash payable / (receivable) at the end of year		(1,328)	323	677	362	411	327	(240)	1,012

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

(c) Department of Education Research

	Note	Research Training Program		Research Support Program		Increase Workforce Mobility		Total	
		2025	2024	2025	2024	2025	2024	2025	2024
		\$'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)		29,123	31,146	25,343	24,137	68	27	54,534	55,310
Revenue for the period	3.1(c)	29,123	31,146	25,343	24,137	68	27	54,534	55,310
Surplus / (deficit) from the previous year		12,177	17,098	-	-	-	-	12,177	17,098
Total revenue including accrued revenue		41,300	48,244	25,343	24,137	68	27	66,711	72,408
Less expenses including accrued expenses		(35,086)	(36,067)	(25,343)	(24,137)	(68)	(27)	(60,497)	(60,231)
Surplus / (deficit) for reporting period		6,214	12,177	-	-	-	-	6,214	12,177

(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	21,672	1,938
Research Training Program Stipends	9,461	591
Research Training Program Allowances	1,135	289
Total for all types of support^{#6}	32,268	2,818

^{#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 \$35.1 million (Note 32(c)) in respect to the 2025 year.

THE UNIVERSITY OF NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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

	Note	Other Capital Funding		Total	
		2025	2024	2025	2024
		\$'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)		570	450	570	450
Net adjustment		(550)	866	(550)	866
Revenue for the period	3.1(d)	20	1,316	20	1,316
Surplus / (deficit) from the previous year		-	-	-	-
Total funding available during the year		20	1,316	20	1,316
Less expenses including accrued expenses		(20)	(1,316)	(20)	(1,316)
Cash surplus / (deficit) for the reporting period		-	-	-	-

(f) Australian Research Council Grants

	Note	Discovery		Linkages ^{#7}		Networks and Centres		Special Research Initiatives	
		2025	2024	2025	2024	2025	2024	2025	2024
		\$'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)		5,456	6,495	2,430	1,955	6,174	5,833	-	-
Net adjustment		(97)	13	(13)	(466)	(4,424)	(4,439)	-	28
Revenue for the period		5,359	6,508	2,417	1,489	1,750	1,394	-	28
Total revenue including accrued revenue		5,359	6,508	2,417	1,489	1,750	1,394	-	28
Less expenses including accrued expenses		(5,359)	(6,508)	(2,417)	(1,489)	(1,750)	(1,394)	-	(28)
Surplus / (deficit) for reporting period		-	-	-	-	-	-	-	-

Australian Research Council Grants

	Note	Total	
		2025	2024
		\$'000	\$'000
Financial assistance received in cash during the reporting period		14,060	14,283
Net accrual adjustment		(4,534)	(4,864)
Revenue for the period	3.1(e)	9,526	9,419
Surplus / (deficit) from the previous year		-	-
Total revenue including accrued revenue		9,526	9,419
Less expenses including accrued expenses		(9,526)	(9,419)
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 2025

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

		2025	2024
		\$'000	\$'000
Parent Entity (University) Only	Note		
Cash received during the reporting period		4,994	6,148
Cash spent during the reporting period		<u>(4,667)</u>	<u>(3,447)</u>
Net cash received		<u>327</u>	<u>2,701</u>
Cash surplus / (deficit) from the previous period		<u>6,959</u>	<u>4,258</u>
Cash surplus / (deficit) for the reporting period	16	<u><u>7,286</u></u>	<u><u>6,959</u></u>

(h) Higher Education Superannuation Program

		2025	2024
		\$'000	\$'000
Cash received during the reporting period (total cash received from the Australian Government only for the program)		19,730	20,759
Contributions to specified defined benefits funds		<u>(19,730)</u>	<u>(20,759)</u>
Cash surplus / (deficit) this period		<u><u>-</u></u>	<u><u>-</u></u>

(i) Student Services and Amenities Fee

		2025	2024
		\$'000	\$'000
Parent Entity (University) Only	Note		
Unspent / (overspent) revenue from previous period		851	1,434
SA-HELP revenue earned	3.1(b)	5,908	5,953
Student Services Fees direct from students	3.3	<u>3,914</u>	<u>2,649</u>
Total revenue expendable in period		<u>10,673</u>	<u>10,036</u>
Student Services expenses in period		<u>(9,934)</u>	<u>(9,185)</u>
Unspent / (overspent) Student Services revenue		<u><u>739</u></u>	<u><u>851</u></u>

THE UNIVERSITY OF NEWCASTLE

STATEMENT BY MEMBERS OF COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2025

FOR THE YEAR ENDED 31 DECEMBER 2025

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 2025, 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: 27 March 2026

THE UNIVERSITY OF NEWCASTLE

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

**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 the Statement of Comprehensive Income for the year ended 31 December 2025, the Statement of Financial Position as at 31 December 2025, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, 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
- 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).

THE UNIVERSITY OF NEWCASTLE

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

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.

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 2025. 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.

Key Audit Matter	How my audit addressed the matter
<p>Valuation of other financial assets</p> <p>At 31 December 2025, the University held non-current investments of \$579 million measured at fair value. The University's non-current investments are managed by external fund managers.</p> <p>I considered this to be a key audit matter because:</p> <p>of the significance of the balance to the University's financial position</p> <p>The University holds a portfolio of assets classified as 'Level 3' according to the fair value hierarchy under Australian Accounting Standards (i.e. where significant unobservable inputs are used in the valuation). The University's Level 3 assets of \$105 million include unlisted unit trusts and unlisted equities. Assessing the fair value of these assets requires judgment as the valuation inputs are not based on observable market transactions or other readily available market data</p> <p>of the degree of judgement and estimation uncertainty associated with the valuation.</p> <p>Further information on investments is included in Note 13 'Other financial assets' and Note 22 'Fair value measurement'.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> • evaluating the design of relevant key controls over investments, and assessing on a sample basis whether these controls are implemented effectively • confirming the existence and completeness of balances at 31 December 2025 with external counterparties • for unit trust and equities assets, obtaining valuation confirmations directly from the external fund managers, and assessing the reliability of the information received • assessing the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.

THE UNIVERSITY OF NEWCASTLE

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

Valuation of defined benefit superannuation and long service leave liabilities

At 31 December 2025, the University recorded:

- defined benefit superannuation liabilities totalling \$260.5 million within SAS Trustee Corporation Pooled Fund
- employee long service leave liabilities totalling \$83 million.

I considered this to be a key audit matter because:

- the defined benefit superannuation and long services leave liabilities are financially significant to the University's financial position
- 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

Key audit procedures included the following:

- 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:
 - assess the qualifications, competence and objectivity of management's independent experts
 - assess the appropriateness of the models
 - confirm the reasonableness of key assumptions used
 - assess the reasonableness of the reporting liability values

Key Audit Matter

- 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.

How my audit addressed the matter

- assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.

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'.

University Council's Responsibilities for the Financial Statements

The University Council are 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 2025 Reporting Period'. The University Council's responsibilities also includes such internal control as the University Council determines are 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 are 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.

THE UNIVERSITY OF NEWCASTLE

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

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: https://www.auasb.gov.au/media/5fkcycsek/ar5_2024.pdf. The description forms part of my auditor's report.

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

- that the University carried out its activities effectively, efficiently and economically
- as to the appropriateness of the certifications in the Statement by Members of University Council that the:
 - amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) 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

30 March 2026
SYDNEY